Legislative Council

Thursday, 3rd December, 1953.

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

BILLS (2)—FIRST READING.

1, Traffic Act Amendment.

Introduced by the Chief Secretary.

2, Western Australian Marine Act Amendment.

Introduced by the Minister for the North-West.

BILLS (7)—THIRD READING.

1, Electricity Act Amendment.

Returned to the Assembly with amendments.

2, Licensing Act Amendment (No. 2)

Transmitted to the Assembly.

3, Royal Visit, 1954, Special Holiday.

4, Diseased Coconut.

5, Closer Settlement Act Amendment.

6, Hairdressers Registration Act Amendment.

7, Kwinana Road District.

Passed.

MOTION—LICENSING.

As to Temporary Facilities, Kwinana.

Debate resumed from the previous day on the following motion by the Chief Secretary:—

That this House approves—

(a) of the provision in the Kwinana district facing Harley Way in Medina shopping and business centre of temporary facilities for the purchase and consumption of liquor and other liquid refreshments as set out in the form of agreement tabled in this House on the twenty-sixth day of November, 1953, and made pursuant to clause 5 (o) of the agreement defined in section 2 of the Oil Refinery Industry (Anglo-Iranian Oil Company Limited) Act, 1952, between the State and the Company therein mentioned and Australasian Petroleum Refinery Limited; and

(b) of the completion of the form of agreement and the carrying out of its provisions.

THE CHIEF SECRETARY (Hon. G. Fraser—West—in reply) [4.40]: The views expressed by Mr. Parker yesterday disturbed my mind sufficiently to prompt me to secure the adjournment of the debate with the idea of having investigations made on the points he raised. I have a reply here dealing with the matters raised both by Mr. Parker and by Mr. Griffith. It states:—

The views expressed by Hon. H. S. W. Parker in his speech yesterday are as follows:—

(a) that the only amending agreement which could be made under Clause 5 (o) of the principal agreement would be one made by amending the provisions of the principal agreement, and that there is no mention in the principal agreement of the licensing laws;

(b) that if the amending agreement is valid then a further agreement could be made to override the gambling laws of the State;

(c) that the only way in which the law can be amended is by a Bill which must pass

through both Houses of Parliament and be assented to by the Governor;

(d) that the passing of a motion will mean exactly nothing.

In another part of his address, Mr. Parker acknowledges that by virtue of Section 3 (2) of the ratifying Act No. 1 of 1952, Clause 5 (o) has effect as if enacted by that Act. Therefore Parliament has delegated to the parties the authority to make an amending agreement having effect as if enacted by Parliament, and in Section 2 the word "agreement" is defined to mean the principal agreement as that agreement subsists from time to time. Therefore in a proper case there would certainly be no need for another Act of Parliament to ratify an amending agreement under Clause 5 (o). The question remains however whether or not this particular amending agreement is a proper one or not.

It was intended by the framers of the agreement that under Clause 5 (o) an amending agreement could be made which would facilitate the carrying out of any of the obligations or purposes expressed in the agreement. The present amending agreement is expressed to provide an amenity which by encouraging or enabling the retention of necessary labour in the Kwinana area, will facilitate the carrying out of the main obligation of the company under the agreement, namely, the erection and establishment of the oil refinery within a specified time. Admittedly, it is a matter of law whether or not the provision of wet canteen facilities could reasonably facilitate the erection and establishment of the refinery. The company and the Government have agreed that the company will have difficulty in retaining necessary labour particularly during summer months, if the wet canteen facilities are not provided. There is certainly much more substance in the argument that such facilities will facilitate the erection of the refinery, than that the overriding of the State gambling laws would facilitate such erection and establishment.

Admittedly, Clause 5 (o) refers to "any obligation under or provision of this agreement," and therefore it is necessary that any amending agreement under Clause 5 (o) should be related to an obligation under or provision of the agreement but any such obligation or provision may not only be cancelled or varied, but may be "added to," and therefore new matter may be introduced so long as it relates to an obligation under or provision of the agreement. The recital to the amending agreement endeavours to show this relationship, namely the necessity to retain labour in the Kwinana district for the erection and establishment of the refinery. In my opinion, the only possible weakness in the validity of the proposed amending agreement is the possible doubt whether or not the Company would have difficulty in retaining necessary labour for the erection and establishment of the refinery, if no facilities are made available in the Kwinana district for the purchase of liquor. The passing of a short Act ratifying the amending agreement would, of course, remove this doubt; but the view has been taken by the State and the Company, as well as by their respective legal advisers, that the provision of drinking facilities would assist the Company to retain necessary labour and therefore would facilitate the carrying out by the Company of its most important obligation under the agreement.

If Mr. Parker's view be correct, then if, for instance, a submerged rock which endangered the Company's tankers should be discovered in Cockburn Sound, it would not be competent for the parties to make a supplementary agreement under Clause 5 (o) for the blasting away of the rock, since the agreement does not refer to submerged rocks or to blasting, even though it contemplates the safe navigation of tankers. In my opinion, the blasting of the rock in such circumstances would be an obvious facilitating of the provisions of the agreement relating to the carrying on of the refinery, and the amending agreement for its blasting would therefore be valid.

Hon. H. K. Watson: Would it be necessary in a case like that to come to the House with a motion to approve of the agreement?

The CHIEF SECRETARY: I have not gone into that. There may be something further on in this statement concerning the matter. The advice continues—

I would, with respect, agree with Mr. Parker that the passing of the resolution would have no legal effect, but it has already been explained to the House that the sole object in referring the agreement to each House of Parliament is to avoid any suggestion that the Government is abusing its powers under Clause 5 (o).

Referring to the question raised by the Hon. A. F. Griffith, in his speech in the House yesterday—

(a) if the amending agreement is completed and is valid, there would be no need for any application to be made to the Licensing Court for any licence;

(b) the Premier would have the right and obligation to appoint the Manager of the canteen;

(c) it is thought that the State, by being relieved of the obligation to provide accommodation and meals at the canteen, should make a much better profit on running the canteen than would the ordinary State Hotel, which of course has the obligation of providing both accommodation and meals, both of which are understood to be run at a loss;

(d) the reason why this proposed amending agreement would have validity as an Act of Parliament is that S.3(2) of the ratifying Act No. 1 of 1952 expressly says so. The reference in that subsection to "agreement" means the "agreement" as it subsists from time to time (S.2).

I would add that I also submitted the query raised concerning the question of private enterprise running the canteen. The answer given to me was that it was not possible for private enterprise to do it.

Hon. A. F. Griffith: Why?

The CHIEF SECRETARY: Because the agreement is between the State and the company.

Hon. A. F. Griffith: Could the company do it?

The CHIEF SECRETARY: I did not explore that phase. But evidently the company was not anxious to do it, because it called on the State.

Hon. H. S. W. Parker: You did not say whose opinion that was.

The CHIEF SECRETARY: I am sorry. It is signed by S. H. Good, Solicitor-General, and is dated the 3rd December, 1953.

Hon. A. F. Griffith: Did I understand the Minister to say that the company called upon the State to provide this service?

The CHIEF SECRETARY: Yes; I suppose we could say that, because the company contacted the Government and requested it to provide drinking facilities.

Hon. A. F. Griffith: There was no question that anybody else but the Government should provide them?

The CHIEF SECRETARY: That is so. In view of the explanation I have given, I hope the House will agree to the motion.

Point of Order.

Hon. A. L. Loton: On a point of order, was the Minister closing the debate, or giving an explanation concerning the points raised yesterday by Mr. Parker?

The President: I take it that the Minister was closing the debate.

The Chief Secretary: I do not care which way it goes. It is all the same to me. But I looked around the Chamber before rising, in order to give anybody else who desired it, an opportunity to speak on the motion, because I thought that when I got up I would be closing the debate.

Hon. A. L. Loton: Although the Minister looked around the Chamber, I thought he was supplying information to the House on the legal points that Mr. Parker raised yesterday, and I considered that members should be acquainted with the contents of that legal opinion before the debate was continued.

Debate Resumed.

The PRESIDENT: Before putting the motion to the vote, I would like to express an opinion from the Chair. I think that although the introduction of a motion of this kind is within the province of the House, this procedure should not be made use of to override an Act of Parliament. If there is any doubt in a case of this kind, the correct procedure is to introduce a Bill to deal with the matter. I sincerely trust that practice will be followed in future.

Question put and passed.

BILL—ENTERTAINMENTS TAX ACT AMENDMENT (No. 2).

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [5.7] in moving the second reading said: This Bill takes the place of the previous measure, which, after amendment in this Chamber, was returned to another place and there eventually discharged from the notice paper. The measure now before the House provides for two schedules to the principal Act, instead of one as at present. This follows the principle of the Commonwealth legislation, which also contained two schedules.

The purpose of the two schedules in the Commonwealth Act was to divide into two classes the many entertainments that are held. One class included entertainments commonly referred to as live shows, and the other class related to entertainments that generally were considered to be other than live shows. Under the Commonwealth law the schedule dealing with live shows provided a lower rate of amusement tax as compared with the rate for other shows. This was done because the Commonwealth Government and Parliament considered that live shows, particularly in these days of strong competition from the films, were deserving of some small encouragement.

We propose to introduce the same principle into our Act; but our amendment will go much further in granting relief to live shows, especially with regard to admission

charges for such shows up to and including 5s. The Bill proposes to exempt live show entertainments from the tax completely where the charge for admission does not exceed 5s. We are proposing this because we feel that it will prove to be a substantial medium of encouragement to the smaller live shows particularly and will also, in practice, be an encouragement to people in the lower-income groups to patronise such shows in increasing numbers.

There should not be need to argue the point as to the much greater expense involved in the staging of live shows as compared with other shows. In this regard, I have in mind particularly the film entertainments. Members know from their own experience and observation that live shows, unless they be run on an amateur basis, cost a great deal to stage. Because of the cost of staging such shows, particularly the professional ones, they are up against very fierce competition when they have to compete with the films, where the number of people to be paid in this State is very small indeed.

So we feel that this method of providing encouragement for live shows is well justified in the circumstances, and that it will not only tend towards the expansion of the smaller types of live shows in this State but will also encourage people on lower incomes to support the live show type of entertainment to a far greater extent than they have been prone to in the past. I am sure members will agree that many classes of live show entertainment are higly desirable in every way, not only in the class of entertainment which they present to the public but also in relation to the development of dramatic art and so on that is provided through the staging of such shows in public.

If members examine the Bill, they will see the types of entertainment that are to come under what we broadly describe as the live show schedule. The list of entertainments set out there will indicate the classes of entertainment, by and large, which will be helped to some extent by this provision and to which people on lower incomes will be encouraged further to go. I believe that, generally speaking, these are the classes of stage entertainment that deserve a reasonable measure of encouragement from Parliament at this stage.

Where the admission charge for entertainments in the live show schedule exceeds 5s. but does not exceed 5s. 6d., the rate of entertainment tax to be levied is 9d., and there is to be an increase of 1d. for every 6d. by which the charge for admission exceeds 5s. 6d. In relation to the other schedule which we propose to place in the Act and which will deal with entertainments generally regarded as being other than live shows, we are providing for a higher exemption than exists in the Act at present, and higher than the unofficial exemption that has operated since the 1st October. The exemption at present in the State Act for this type of entertainment is below 9d. In other words, if the State Act were to be applied in its present form, only admission charges below 9d. would be entirely exempt from the tax. Unofficially, when we brought the State Act again into operation—

Hon. H. K. Watson: "Unofficially"; that is pretty good!

The CHIEF SECRETARY: —on the 1st October, we allowed an exemption of up to 1s. 6d., and in this Bill we propose to raise that unofficial exemption to 2s., which means that for film entertainments, dancing, sporting events, and so on, the exemption proposed in the Bill is 2s., and entertainments tax will be imposed only where the charge for admission exceeds 2s. Where the charge exceeds 2s. but does not exceed 2s. 6d., the rate proposed in the Bill is 4d., and it is to increase by 1d. for every 6d. by which the admission charge exceeds 2s. 6d.

If members care to make a quick mental calcuation, they will find that the new tax rate with respect to live shows, as set out in the schedule, will from 5s. 0½d. onwards, as compared with a similar admission charge for other classes of shows, be 1d. less in each class of admission charge than will be the new rate of tax in respect of film and similar entertainments. Here again we are providing some additional small relief for live shows and some encouragement, as compared with other classes of entertainment, for people to give reasonable patronage to live shows.

Bracketing this measure with the one which I shall introduce immediately after it, it is thought the State will lose from £75,000 to £76,000 per year, if these two Bills become law, compared with what we would have received had they not been introduced. This would have been £232,000, and so the granting of the concession contained in this Bill and in that which is to follow it, will mean that that estimate has to be reduced to about £160,000.

Hon. H. K. Watson: That is the gross estimated revenue now.

The CHIEF SECRETARY: Yes. This will be approximately the total amount received from the imposition of entertainments tax in this State on the present basis. This measure makes some valuable concessions, particularly to live show entertainments. I move—

That the Bill be now read a second time.

On motion by Hon. H. K. Watson, debate adjourned.

BILLS (3)—FIRST READING.

1, Rents and Tenancies Emergency Provisions Act Amendment.

2, Abattoirs Act Amendment.

3, Reprinting of Acts Authorisation.

Received from the Assembly.

BILL—ENTERTAINMENTS TAX ASSESSMENT ACT AMENDMENT (No. 2).

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [5.8] in moving the second reading said: This is the complementary Bill to the one I have just introduced. It contains a number of important amendments, some of which seek to provide comparatively substantial concessions. Under the Act, several classes of entertainment are exempt provided they are staged for deserving purposes.

For instance, if any entertainment is conducted for philanthropic, charitable or religious purposes without any charge on takings for expenses, such entertainment is exempt. If the entertainment is of a wholly educational character, that also is exempt. If the entertainment is provided for partly educational or partly scientific purposes by a society, institution or committee and is not conducted or established for profit, that entertainment is also exempt under the provisions of the Act.

The Bill seeks to provide a further exemption, which is set out on page three of the measure. This refers to any entertainment which would consist solely of a game or sport in which human beings are the sole participants. The entertainment would not include dancing or skating unless those activities were conducted on a competitive basis. Where an entertainment is held by a society, institution or committee, and is not established or carried on for profit it would be exempt, and where no person receives remuneration as a promoter organiser or participant in the entertainment, that entertainment would also be exempt.

The main purpose of that amendment is to exempt completely from the payment of entertainment tax in the future what are known as amateur sporting organisations. Some weeks ago, a deputation waited upon the Premier which consisted of representatives of the organisations concerned, and as a result of the case they presented, which was subsequently considered by Cabinet, it was agreed that they deserved all the encouragement that could possibly be given to them, and therefore the Bill proposes to exempt completely from the tax all entertainments that they conduct.

If the players were being paid to play football, the matches in which they participated would not be exempt from entertainments tax. In that regard we would have to rely on the judgment of the Commissioner of Taxation. He would require to have applications for exemptions submitted to him and would have to judge each application on its merits.

We could not give an all-embracing exemption to sporting activities otherwise immediately we would have to exempt trotting and racing and similar entertainment. That, of course, is not proposed in the Bill, nor would anyone argue that that is the sort of entertainment or sporting activity which should be excluded from its provisions. The principle in the Bill is to grant complete exemption to amateur sporting organisations. If the Bill becomes law, the Commissioner of Taxation will administer this part of the legislation on the principle of what is intended in the amendment. In Committee I propose to seek amendments designed to clarify the intention of the Bill in regard to amateur sport.

Another amendment, which is related to some extent to the one I have just explained, has to do with Section 9, which gives the commissioner a direction and, to some extent, a discretion with regard to the imposition or otherwise of entertainments tax. The first provision is appropriate. The method is to register the entertainment, and the proprietors submit a return to the commissioner.

If the total expenses of running the entertainment do not exceed 50 per cent. of the total receipts, then no tax is collected from those running the entertainment. If the expenses do exceed 50 per cent., then entertainments tax is imposed. When it was known that Cabinet was giving consideration to making these amendments to the assessment Act by raising the expense ratio of 50 per cent., it was pointed out that it would not be easy to keep the total expenses down to 50 per cent., or below the total receipts. Instances were given where difficulties arose.

Under the Bill it is proposed to raise the exemption rate to 60 per cent. of the total receipts. This means that entertainments run for the purposes mentioned will not pay entertainment tax if the total expenses do not exceed 60 per cent. If entertainments are run for worthy purposes, then they should get the benefit of the receipts, instead of a paid organiser or some other person obtaining most of the benefit. In other words, there will be some restriction on entertainments being run for philanthropic, religious or charitable purposes, otherwise we would find racketeers entering into this sort of thing, and the causes would get no benefit at all.

We consider that restriction should be imposed to ensure that when entertainments are run for desirable purposes, a strict control over the expenses side will be kept. Where the expenses of running such an entertainment do not exceed 60 per cent., those entertainments will be

completely exempt from taxation, but where the expenses exceed 60 per cent., then the proceeds will be taxable.

At present the commissioner has the right to take into consideration adverse climatic conditions which might develop. This Bill will give him more discretion and he has the right to take into consideration any unforeseen circumstances which may develop to cause the anticipated proceeds to fall below the estimated total. We have in mind such circumstances as transport breakdowns, and other considerations which, in the commissioner's judgment, should afford relief from taxation. He will be empowered to use his discretion without limit. If the Bill becomes law, the commissioner will be able to grant exemption even though the expenses may be more than 60 per cent. of the total receipts on account of some unforeseen circumstances.

It is proposed in Clause 5 to add the word "public" to the classification of entertainments with respect to exemptions. The purpose is to enable organisations such as progress associations, parents and citizens' associations and others which sponsor the entertainments, to come under the provisions I have been explaining. At present, only entertainments run for philanthropic, religious or charitable purposes are entitled to the concession.

I may mention that it is proposed to grant this concession in respect of entertainments run for a public purpose. "Public purpose" would include the raising of money for infant health centres, provision of amenities at schools and efforts in a number of similar directions. If this amendment becomes law, it will prove to be of great assistance to organisations which run entertainments of a public character to benefit the causes I have discussed.

Then again, it is intended to tighten up the administration in certain respects. At present proprietors of entertainments who feel that way inclined, could stall on the payment of taxes due. It is not because they cannot pay, but because they possess a mercenary nature. They hang on to the money which is due in taxes until the authorities become tired of waiting and start a prosecution, then they come along and pay up.

It is proposed to give the commissioner responsible for the collecting of entertainments tax, the same power as commissioners who collect other forms of taxation; that is, power to impose a penalty for late payment. This is to ensure prompt payment of entertainments tax. It will save a lot of administrative expense and it will put all proprietors of entertainments on the same basis—the prompt payer and the staller.

Under the provision of the Bill, the commissioner will have similar power in dealing with proprietors of entertainment who operate under a bond. Some take out a bond whereby they guarantee to pay the tax within a certain period of the date on which the entertainments they sponsor are held. A few of these proprietors also stall in payment. They do not honour the bond; they honour it in the breach, but not in the observance.

The only remedy at present is to institute proceedings. This would involve the commissioner and the proprietors in unnecessary expense. To overcome that unsatisfactory position, it is proposed to give the commissioner power to impose a penalty when proprietors do not honour their bond. There are some other minor amendments, which, if necessary, can be explained in committee or when I reply to the second reading debate. I move—

That the Bill be now read a second time.

On motion by Hon. H. K. Watson, debate adjourned.

BILL—WAR SERVICE LAND SETTLEMENT SCHEME.

First Reading.

Received from the Assembly and read a first time.

Second Reading.

THE MINISTER FOR THE NORTH-WEST (Hon. H. C. Strickland—North) [5.17] in moving the second reading said: The reason for this Bill is to legalise the manner in which the war service land settlement scheme is being implemented under conditions laid down by the Commonwealth Government.

The Commonwealth Government's powers to acquire land were challenged in the High Court in 1951 and the decision against the Government meant that the 1945 agreement and the 1947 regulations became inoperative following which the Commonwealth made finance available to the agent States under Section 103 of the Re-establishment and Employment Act and this State adopted a new agreement in 1951 to legalise its position and to repeal the previously-mentioned State Acts.

Since then, however, the Commonwealth has taken further steps to remove any possible legal doubt that might exist concerning the acquisition of properties by repealing Section 103 of the Re-establishment and Employment Act and since 1952 has been making grants under its powers contained in Section 96 of the Commonwealth Constitution.

This section gives the Commonwealth Parliament power to lay down conditions concerning the use of such grants and in 1952 the Commonwealth passed the States Grants (War Service Land Settlement) Act which delegated authority to a Federal Minister to lay down the conditions under which such grants would be used by the States.

From a Commonwealth standpoint our present legislation is inoperable and this Bill will legalise the conditions under which the scheme has been operating. It is complementary to Commonwealth legislation.

It will be recalled that the select committee which inquired into the war service land settlement scheme last year recommended that any arrangements made between the State and Commonwealth Governments should be made known to Parliament. For the sake of flexibility, such conditions have not been included in the Bill which merely refers to "conditions." In accordance with Parliament's decision, however, provision is made for the conditions to be tabled in each House whenever they are amended, within six sitting days of the House following receipt of the conditions.

Hon. H. L. Roche: Is that the only recommendation by the select committee that is being adopted?

The MINISTER FOR THE NORTH-WEST: I think there were more than that one; there were several recommendations. Each member has been furnished with a copy of the conditions imposed by the Commonwealth and agreed to by the State. These are self explanatory but I would like briefly to mention the method of valuation of a property and the conditions imposed for the leasing or sale of a holding.

Hon. A. L. Loton: Did you say "holding" or "holdings"?

The MINISTER FOR THE NORTH-WEST: Holding.

Hon. A. L. Loton: Over the whole of the scheme?

The MINISTER FOR THE NORTH-WEST: No, over the holdings that comprise a particular project. I take it that if a large farm is taken over for war service land settlement purposes, the total cost of developing it will be divided by the number of holdings on the estate.

Hon. H. L. Roche: It would not include other properties miles away?

The MINISTER FOR THE NORTH-WEST: No; it would apply only to those farms which comprise the particular project.

Hon. A. L. Loton: That is what you think.

The MINISTER FOR THE NORTH-WEST: That is how I read it, but a closer study of the conditions may prove that it will be otherwise. The State is required to bring the area of land in a project to a stage of development where a settler can bring it into production within a reasonable period. At this time the whole area is valued and the total cost of the land and of the planned work is apportioned over the holdings derived from the project. The total cost includes the total cost of the land, the cost of work completed by a settler, the estimated cost of work to be completed, plus interest at the ruling long term bond rate. Thus the valuation of a developed holding will be that apportioned from the total cost of the project.

Applicants are allotted holdings by the State in order of priority of suitability and the settler must purchase the structural improvements and enter into a lease in perpetuity of the land and ground improvements, with option of purchase of absolute freehold any time after the lapse of a 10-year period. The annual rent payable is 2½ per cent. of the valuation less the amount payable for structural improvements, less the cost of any planned work done by the settler.

Hon. A. L. Loton: Is there any right of appeal against the valuation?

The MINISTER FOR THE NORTH-WEST: That is probably mentioned further on. The lease may provide concession rentals according to the state of development, but it is not transferable without consent of the State and Commonwealth Governments. The option price for freehold is the apportioned cost of the holding up to the time of the leasehold valuation or a reasonable market value at that time, whichever is lower, less the sale price to the settler of the structural improvements. The lessee has the right to request a review of the option price if considered too high. That answers Mr. Loton's query. I should also like to mention that every endeavour will be made to obtain the papers asked for by Mr. Loton and I will make an effort to place them on the Table of the House tomorrow. I move—

> That the Bill be now read a second time.

On motion by Hon. A. L. Loton, debate adjourned.

BILL—JURY ACT AMENDMENT (No. 2).

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [5.25] in moving the second reading said: This little Bill is the result of the action taken by this Chamber to delete from the recent measure amending the Criminal Code the clause that sought to amend the Jury Act also. Members will be well aware of the debate on that occasion. It was suggested that the amendment was in the wrong Bill and that it should be introduced in a Bill to amend the Jury Act. This measure seeks to do that.

Members will recollect that the intention of the original amendment was to repeal Section 25 of the Jury Act, which provides that—

> Jurors for the trial of a person charged upon an information for an indictable offence, not punishable with death, may, after having been sworn,

separate during the intervals of the trial, except when otherwise ordered by the judge.

This is dissimilar to the requirement in the Criminal Code, Section 639 of which states—

> Except as hereinafter stated, after the jury have been sworn and the charge has been stated to them by the proper officer, they must not separate until they have given their verdict or are discharged by the Court.
>
> And no person except the officer of the Court who has charge of them is to be allowed to speak to or communicate with any of them without the leave of the Court until they are discharged.
>
> Provided that on the trial of a person charged with any indictable offence other than a crime punishable with death, the Court may, in its discretion, permit the jury to separate before considering their verdict for such period during any adjournment of the trial as the Court may think fit.

The difference between the two provisions is that the Jury Act allows jurors to separate during the intervals of a trial, unless the judge orders otherwise. The Criminal Code states jurors must not separate unless the court thinks fit. The latter provision is the more modern, and I am told it is the more easily administered. The courts have asked that it be retained and the provision in the Jury Act deleted. I move—

> That the Bill be now read a second time.

HON. H. S. W. PARKER (Suburban) [5.28]: This is a Bill which contains a provision similar to that in a measure which I introduced in this House. It is merely a formality because it is essential that this section of the Jury Act should be repealed and the correct method of doing so is by an amendment to the Jury Act. I support the second reading.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—ADMINISTRATION ACT AMENDMENT (No. 2).

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West [5.30] in moving the second reading said: This Bill contains only one proposal, the object being to provide relief, either on a temporary basis or during the whole of the life of the person concerned, in relation to estates where the value for probate purposes does not exceed £5,000 and where a dwelling-house constitutes part of the estate and is ordinarily occupied as a dwelling-house by the widow or widower as the case may be.

Under the present Act, there is no method available to the Government to provide relief to people who are in poor circumstances and have no means of meeting the probate duty due upon estates of which they are beneficiaries. Requests have been received from widows who were due to pay probate duty and the bulk of the estates consisted of the dwelling-houses in which they were living and had lived for years. They had no money in the bank.

The only methods available to them of raising money with which to pay the probate duty would be to sell the house—in which event they would have no place to live in—or raise a mortgage on the house, if there was not already one, and pay the probate duty out of the proceeds. The only other alternative would be to obtain money from relatives, if they had relatives with money, with which the probate duty could be met.

The Bill proposes to give the Treasurer the right to defer payment, either in whole or in part, for a period or, if considered necessary or desirable, for the whole of the lifetime of the beneficiary. In that event the amount of the probate duty payable to the State would become a charge against the property in the same way as now operates with regard to pensioners who are unable to pay water rates and other rates of that description.

Therefore the sole purpose of the Bill is to afford relief of a temporary or permanent character to people in those circumstances so that they shall not have upon their minds the extreme worry that comes to persons poorly circumstanced when they have bills to meet and no money with which to meet them. I move—

> That the Bill be now read a second time.

HON. H. K. WATSON (Metropolitan) [5.33]: In my speech on the Address-in-reply debate, I spoke on the inequity of the Death Duties Act and the Administration Act. I quoted an instance where a man died leaving to his widow a house worth £3,000. He had no life insurance policy or money in the bank. The widow had to pay death duty amounting to £45. Taking another instance of an estate worth £6,500, made up of a house, furniture and perhaps a motorcar, the duty payable thereon would be £390.

In his second reading speech, the Chief Secretary referred to the case of pensioners. I would suggest that the only analogy is that a residence is excluded when assessing the assets of a pensioner to determine if he is entitled to a pension.

A family home should not be included in the assets of an estate for assessment of death duty. A family home should be excluded in all instances.

In nine cases out of ten, a married couple have put all their savings into purchasing a home, and when the husband dies and leaves nothing else but the home, it cannot be regarded as a legacy to the survivor. She continues to live in the house as before, but she would have to find £45 for payment of death duty in the case of a house valued at £3,000, and £390 for a house valued at £6,500. It is not as though the house was left as a legacy to a stranger. Where a house is left to the surviving spouse, I feel it should be excluded from the dutiable estate.

The Bill now before us does nothing more than defer the payment of death duty during the lifetime of the surviving spouse. It is little more than a pawnbroking Bill, except that no interest is to be charged. I am rather surprised that the Treasurer saw fit to extend the time for payment without interest. To my mind, the provisions of the Bill are not reasonable. It is another case of the disadvantage of owning a home compared with a person who pays rent. I shall ask members to amend the Bill so as to insert more liberal provisions. The only trouble at this time of the year is that Bills are pouring in and members do not have adequate time to consider and draft amendments. I would like more time to consider proposed Clause 3 so that I could put on the notice paper an amendment to make the Bill more equitable.

Hon. A. L. Loton: The sole object of the Bill is to defer payment?

Hon. H. K. WATSON: Yes. To that extent, it accentuates the position. If a husband dies, and the duty payable is £100, payment can be deferred during the lifetime of the widow. On her death, a further £100 duty is payable, which would make it a double payment. The surviving relatives would have to find enough money to pay this double tax.

HON. G. BENNETTS (South-East) [5.40]: I agree with what Mr. Watson said. I have in mind one case where the husband died and the widow was left in poor circumstances, with no money in the bank. In order to pay death duty, she had to borrow money. Another case concerned an ex-neighbour of mine from the Goldfields. He bought a house down here with his savings, and with contributions from his two children. Recently, the house was valued for probate at £6,000. In addition, the value of the furniture had to be included in the amount taxable.

Hon. H. Hearn: The widow could take out a mortgage to pay death duty.

Hon. G. BENNETTS: I think that any property purchased jointly by a couple should not be liable for death duty when one of them dies. As the children had contributed to the purchase of the property, I think that when the surviving spouse dies it should not have to be included for probate, either.

Hon. R. J. Boylen: How many such cases would there be?

Hon. G. BENNETTS: Many. Even in my family, I have been helped by the children. Where children help, they should be given some consideration. Further, when a person dies, duty is payable on his furniture. It is a shame that this kind of asset should be taken into account.

HON. L. CRAIG (South-West) [5.42]: I suggest that members should not amend this Bill so much as another Bill which will be coming up shortly. In that measure the minimum amount to be freed of probate duty could be altered to meet cases such as those quoted by Mr. Watson and Mr. Bennetts.

Hon. H. K. Watson: The principle should be covered in this Bill.

Hon. L. CRAIG: It is all very well to define a house in this Bill, but the unfortunate part about it is that some people live in a house which they bought for £1,000 but which on today's value would be assessed at £6,000. In the event of probate duty having to be paid on that house which originally cost £1,000, a sum of £390 must be found today. A couple might have lived in such a house for years; they might have no other income than the wage of the husband. It is only through force of circumstances that the market value of the house has risen to £6,000. Yet the house is no better to live in than when it was worth only £1,000.

Then there are cases where a person dies leaving a small house and a few other assets, but under the provisions of the Bill, only the probate duty on the house can be deferred. That is the wrong way to tackle the problem. With money having inflated considerably in recent years, provision should be made to exempt estates from probate duty at a higher figure. It must not be forgotten that capital or assets which are marshalled when a person dies, are, generally speaking, the accumulation of income.

Capital is the saving from or accumulated residue of income and, generally speaking, it has already paid taxation as income. A man who is in receipt of £1,500 a year might spend £1,000 and save £500. The £500 saved is capital when it is invested in some form of property and on that money he has already paid income tax. Probate duty is an iniquitous charge on property that represents savings accumulated by a man during his lifetime.

There are some assets in a deceased person's property that have been accumulated and have paid no tax, such as the increased value of a house. A house may have been purchased for £1,000 and may

now be valued at £5,000. This represents an accumulation of capital that has not been taxed, but it must not be forgotten that the £5,000 represents a value of only £1,000 at the time the house was purchased. It is merely a matter of inflated value; the house is the same, but the value is different in terms of money.

I do not know what we can do about this matter. The Bill represents a start in the direction of easing the position of people who have only a house and no funds with which to meet probate duty. There are many other non-revenue-producing assets that should be exempt. A man who dies might leave a lot of assets that are almost dead. However, we should attempt to ease the position for people who need relief. The Bill merely proposes a deferment of payment of the tax, but it is incumbent upon us to see that the question of probate duty is properly surveyed by the House.

Probate duty, I repeat, represents an iniquitous tax. In the case of many estates, it has been necessary to sell assets that have been held by the family for years, in order to pay the probate duty. Where a double death occurs in the family, the position becomes almost disastrous. Very often a mortgage has to be raised on a property to pay the duty, and if the surviving spouse dies, probate on the same estate has to be paid again. In some instances in England, this has competely ruined estates. If Mr. Watson can suggest an amendment that will be helpful I shall be pleased to support it. This Bill is only tinkering with the position in that it will deal merely with the house. In my opinion, it was scarcely worth while to introduce a Bill having for its object the mere deferment of the debt. I support the second reading.

HON. E. M. HEENAN (North-East) [5.48]: It is easy to confuse the intention of this measure with the proposal in another Bill dealing with death duties which I understand will come before us shortly. Members should appreciate that this proposal is merely to grant a considerable measure of relief where an estate does not exceed in value £5,000 and consists mainly of a dwelling. In the past, it has been necessary to take out letters of administration and pay the duty and, on occasion, this has created difficulty, because the estate has consisted almost solely of the house where the surviving spouse was living. I am satisfied that the Bill will grant a good deal of relief and I hope that members will support it.

In a case such as that which I have mentioned, payment of death duties may be deferred upon application being made to the Commissioner. Then the duties would not have to be paid until the expiration of the period of deferment and, furthermore, no interest is to be charged on the outstanding debt.

Hon. L. Craig: It is all subject to the approval of the Minister.

Hon. E. M. HEENAN: That is so. A man and his wife may have a dwelling-house worth £4,000 or £5,000. If the husband died, the widow could point out that the estate consisted almost entirely of the dwelling and furniture and could apply for a deferment of payment of the death duties. The Commissioner may grant deferment for any period that he considers reasonable, and during that period no interest will be payable.

Hon. A. F. Griffith: That would operate until the death of the surviving spouse.

Hon. E. M. HEENAN: Yes.

Hon. A. F. Griffith: What would happen if the surviving spouse died soon afterwards?

Hon. E. M. HEENAN: The provision does not extend so far as to cover that contingency. We could go on anticipating that all sorts of things might happen. The point is that the Bill will extend to a number of people a considerable benefit that has not previously been conceded.

Hon. L. Craig: In such circumstances, it was often necessary to sell the house.

Hon. E. M. HEENAN: Yes; or it might be necessary to sell the house in order that the proceeds might be split up amongst beneficiaries. In deserving cases, however, this Bill will afford a great amount of relief. The measure may not be as far-reaching as some members would desire, but it is worthy of support.

Hon. G. Bennetts: If the husband died and the widow passed away shortly afterwards, there would be double death duties to pay.

Hon. E. M. HEENAN: It would be very pleasant if we could abolish death duties entirely and the same may be said of other taxation. What a fine State it would be to live in if we could abolish all taxation! So far as the Bill goes, it is commendable and should be supported.

HON. E. M. DAVIES (West) [5.55]: I support the second reading. As has been indicated by previous speakers, the Bill may not be all that we desire, but I regard it as an attempt to assist people who are left in very difficult circumstances. The measure will afford some relief, if only temporary, until such time as the property has passed to others or the period of deferment has expired. This will prove to be of benefit to people who find themselves confronted with such difficulties.

I have had some experience in dealing with cases involving letters of administration and probate. In some instances, the house has been bequeathed to the widow, who has been left without any liquid assets, and it has been necessary to dispose of part of the estate in order to meet the probate duties.

Mention has been made of another Bill to be considered shortly, and I believe that under that measure, ways and means could be devised whereby further relief might be conceded in such cases.

I know that people have often been placed in a very embarrassing position through being required to meet probate duty when they were not in a position to do so. I see no reason why any member should withhold his support from this Bill, and I trust that before the session ends, we shall have an opportunity to extend far greater relief to people who come within the ambit of this legislation.

HON. L. C. DIVER (Central) [5.58]: While the Bill may afford temporary relief in the case of a person being left with a house and insufficient funds with which to pay the death duties, a set of circumstances could arise whereby hardship would occur. We do not know what the price levels will be in the years ahead of us. A man might die while property values are at their peak, and probate duty might be assessed at that time. The widow might survive for a few years and meanwhile price levels might recede so that the whole value of the estate might be absorbed in probate duties. If it is desired to assist people who, by dint of thrift, have secured homes for themselves and made some attempt to provide for the future, they should be given some encouragement, whereas at present they receive none. The Government should consider that aspect.

I feel that the time has arrived when we might be generous enough to waive the whole provision for death duties when only a house is concerned and charge the dues on the remaining assets. If that were done, we could declare one set of death duties when the surviving spouse died, instead of two. In many instances it is when married couples get on in years that this sort of thing crops up and so I appeal to the Government to look after those who are in such circumstances. The Government professes to give much thought to the welfare of the people and now is a golden opportunity for it to prove its sincerity in that direction. The amount of revenue the Government would derive from this source would be infinitesimal, but the course I have suggested would mean, to the few individuals concerned, a tremendous relief. I support the second reading.

On motion by Hon. L. A. Logan, debate adjourned.

BILL—DEATH DUTIES (TAXING) ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [6.2] in moving the second reading said: This Bill is related to the previous measure and proposes in the overall result to raise additional revenue of approximately £50,000 in a full financial year from the imposition of probate duty. In the latest report of the Commonwealth Grants Commission, at page 61, appears a table which shows the severity of State taxation other than income tax. Among the items dealt with in the table is the question of probate duty or, as described in the report, estate duty.

It is shown that in the States of South Australia, Western Australia and Tasmania—these being the claimant States—the severity of taxation under this heading is below, and I think it would be correct to say considerably below, the average of similar taxes in the other three States.

In Western Australia we are 10 per cent. below, which, in monetary figures, represents £76,000. Because of that, we are penalised by the Commonwealth Government to that extent. Although the proposals in the Bill will not bring in the full £76,000 per annum which is required to wipe out the penalty completely, the extra amount that it is intended to raise will cause the penalty to be greatly reduced, from an amount of £76,000 a year to approximately £25,000 or £26,000.

Under the provisions of the Bill it is proposed to apply a 10 per cent. increase in probate duty on all estates which are taxable under the Act, and where the value of an estate for taxation purposes exceeds £7,500. It was thought in the first instance that £6,000 should be the figure at which the 10 per cent. increase would commence. However, after careful consideration, and particularly in view of the changed values of money, it was thought that increased probate duty should start, not at £6,000 as we intended, but at £7,500.

As members may be aware, there are four schedules to the Act. The second deals with duties payable on property disposed of by settlement during the lifetime of the owner of the property. The Third Schedule deals with duty payable on gifts made during the lifetime of the person making the gifts. The Fourth Schedule is in relation to duty payable by foreign companies operating in Western Australia in connection with a share or interest of a deceased shareholder living outside the State at the time of his death. The First Schedule deals with estates of deceased persons.

The present exemption from probate duty is £200 under the First, Second and Third Schedules, and that under the Fourth Schedule is £1,000. It is proposed

to leave the Fourth Schedule exemption of £1,000 at the same figure, to leave the £200 exemption in the Second and Third Schedules at the same figure, but to make an alteration with regard to the exemption covered by the First Schedule, which is the one under which most estates come, being the schedule which covers the estates of deceased persons. The present exemption there is £200 and the Bill proposes to raise it to £1,500. I think members will admit that that is a reasonable rise.

Hon. H. K. Watson: The Commonwealth exemption is £5,000.

The CHIEF SECRETARY: I am dealing with the £200 which up till now has been the exemption in this State. The Bill proposes to raise that figure to £1,500.

Hon. L. C. Diver: We have been dragging our feet in that regard.

The CHIEF SECRETARY: I do not think so. As I have said, the claimant States have been penalised by the Commonwealth for being below the standard States in this regard. In all the circumstances, this is a reasonable exemption although it will be above that of all the other States. However, members of the Government consider that the present exemption of £200 in regard to the estates of deceased persons is far too low. It was probably too low in the prewar period when £200 did have some value, and it is certainly much too low now when the £ has not anywhere near the value that it had prior to 1939.

The lifting of that exemption to £1,500 will represent a substantial raising with respect to the First Schedule and will in operation prove to be of considerable benefit to the beneficiaries of small estates. I move—

> That the Bill be now read a second time.

HON. H. K. WATSON (Metropolitan) [6.6]: If this Bill confined itself to the question of increasing the exemption from £200 to £1,500, it might have some merit, although I feel that the House should pay due regard to the remarks of Mr. Craig, who pointed out that we should bear in mind the effect of death duties on estates generally and on business. As he said, a man pays income tax on his income while earning it. He lives on the balance and saves as much as he can and when he dies he leaves as a residue something that has been taxed and taxed and taxed and, according to all equity, it ought not to be taxed too severely again when he dies.

I would have liked to see the £1,500 nearer £5,000 which is the present exemption for Federal estate duty purposes and that is the suggestion I made to the Government when speaking to the debate on the Address-in-reply. However, half a loaf is better than no bread. That is not all. We find that this measure proposes not only to increase the exemption from £200 to £1,500, but also to increase the existing duties which at the moment go as high as 20 per cent. I have not the figures with me, but I think it is 10 per cent. up to £10,000 and from then on up to 20 per cent., on a sliding scale.

The Bill proposes that on any estate over £7,500 the existing rate shall be increased by 10 per cent.; and the grounds upon which we are asked to agree to that are that, on the existing rates, the amount extracted by the State Treasury from deceased estates is not quite as high as the comparable amount, per capita, in New South Wales or Victoria. In consequence, the State Treasury does not get, through the Commonwealth Grants Commission, as much as it would otherwise receive, and in order that the Treasury may obtain another £75,000, it is proposed also to extract an equal amount from the people of Western Australia—in other words to increase the total revenue of the Treasury in this State by £150,000.

To me that is no argument at all for increasing these duties, which I maintain should be assessed on an equitable basis so far as the taxpayers are concerned. I believe we should consider these proposed increases regardless of any effect they may have on the State grant from the Commonwealth. We should examine the proposition purely as it affects deceased estates in Western Australia. I believe that our existing rates are too high and that they should be reduced and not increased.

I threw out this suggestion to the Chief Secretary during the debate on the Address-in-reply; and reminded him that, up till 1939, no matter what the amount of a man's estate might be when he died, the rate payable on it was only one-half of the ordinary rate if it passed to his widow or children. In 1939 that provision was altered so that from then onwards the half-rate ceased to apply when the estate was more than £6,000. With the change in money values that has taken place, it would be a fairer proposition to bring before the House not this proposed 10 per cent. increase, but a measure to restore the position to what it was in 1939—half rates regardless of the amount of the estate when it was to pass to the widow or children of the deceased.

For my part, I urge the Government to go into this question and deal not only with the matter discussed when dealing with the previous measure, but also to consider seriously the whole question of death duties in the light of present-day money values and the circumstances of the people. Although the Bill contains provisions for increasing the exemption, I believe the advantages of that provision are more than outweighed by the disadvantages of the proposed 10 per cent. increase in the rate.

The Chief Secretary: What do you think would be a reasonable figure instead of the £1,500?

Hon. H. K. WATSON: I would say £5,000. I think we should have in the legislation a provision that, in ascertaining the amount of the estate, the house should be left out; and if that were done, I think £1,500 or £2,000 would be a reasonable exemption here. If the house is to be included in the dutiable estate under the administration measure, I think £6,000 would be a reasonable exemption under the death duties legislation. We cannot consider the two measures as self-contained and watertight.

The Chief Secretary: You want to make a big jump.

Hon. E. M. Heenan: Would that not constitute a hardship on the person who did not have a house?

Hon. H. K. WATSON: It would encourage such a person to own a house.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. H. K. WATSON: I think I have said all I wanted to say on the Bill; but to summarise, I feel that the disadvantages of the proposed increases in the rates more than outweigh the advantages of an increase in the exemption to £1,500. I intend to vote against the Bill on the second reading.

HON. J. G. HISLOP (Metropolitan) [7.31]: I have never been happy about the question of probate duty since the levy of high taxation. In the old days, when the rate of income taxation was low, there might have been some justification for probate duty; but as the rate of income taxation is increased, the reason for an increase in probate duty becomes less. When an individual, no matter what he earns, is taxed to the limit, it means that anything he has been able to save is possible either because of his industry, or because of his tendency to save from what was left to him after he had paid taxation. Now that inflation has taken a hand as well, a large proportion of the public are worried about probate duty.

It seems all wrong that the Government should say, "We are not receiving enough from this tax." Even though the rate may not have been altered, the actual amount being received from this form of taxation is increasing because of the inflationary tendency, and the sums received as a result must have been considerable. This is similar to the increase in water rates; because, firstly, the department increased the valuation of properties, and then it increased the rates. That was a most iniquitous proposal, and the same sort of thing exists with probate duty. There are people today who are paying a higher rate of tax than even their assessments warrant; because, in order to protect their relatives against probate duty, they are paying an increased amount annually for life insurance to cover this probate tax.

I am not going to vote for any increase in this direction and, in fact, I consider that probate duty should be reduced because of the present rate of income taxation. This country is simply destroying any idea of thrift. I am not worried about the Grants Commission, and I do not think that body has any right to say whether this shall be a socialist State or not.

The Chief Secretary: They have not any right, but they are doing it.

Hon. H. L. Roche: When?

The Chief Secretary: In their report.

Hon. J. G. HISLOP: I consider that probate tax is the most socialistic of all taxes. It tends to wipe out sections of the community and it certainly wiped out a certain section in Great Britain. Lord Beveridge, since his welfare state has come to be a reality has said, "It is not possible to transfer what you saved in life to your children. You have to work for everything you earn." He draws attention to the fact that the whole of the British nation must realise that the group of people who, in the main, led the community in culture in the last century has disappeared as a result of this taxation. He stated that it behoves other sections of the community to take their place; but as yet we are not ready for that. I intend to vote against this measure. I believe it is purely a socialistic piece of legislation.

I do not say that this Government has introduced it as a socialistic piece of legislation, but I believe that this taxation is socialistic in principle. It has a levelling effect in the community. After an individual has worked all his life, saved what he can after taxation has been paid, and left it to his widow and children, as a result of this taxation they must, by sheer necessity, live at a lower standard. If that is what we expect in Australia in the future, then I am sorry for us. I will vote against this Bill and any other Bill that proposes to increase probate duties.

HON. A. L. LOTON (South) [7.35]: I, too, am going to vote against this Bill because I consider it to be unfair and unjust. It is unjust because it seriously affects people in the rural districts. If a man and his family have developed a property over the years, and have got it to a stage where it is free from debt—usually through hard work—and the man dies, the property is valued at a figure far in excess of its ability to return sufficient income to meet the probate due. The other members of the family are then placed in the unenviable position of having

to go to a lending authority—either a bank or some other private institution—to obtain a mortgage to enable them to pay the death duties.

In such a case the family finds itself in the position of owing a considerable sum of money, as was the case when the property was first taken up. I know of many farmers who have died, and whose relatives have been placed in this position; and I know of others who are placed in the difficult position of not knowing whether to transfer their properties to their sons or not. If a farm is transferred, as a gift, to one of the members of the family, gift duty has to be paid. If the property is not transferred, and the farmer dies, probate duty has to be paid by the rest of the family. Consequently, many of them do not know what to do for the best.

This is a young country, and little incentive is given for people to develop the land that is required. This is not like some of the older States of Australia, where properties of 2,000 acres or 3,000 acres could be subdivided and portions of them sold to pay probate duty. In such cases the remaining portions of the properties would return a good income. In Western Australia, if a property were subdivided and portion of it sold, the remaining section would not in many instances be sufficient to return an income on which those who were left could live. For those reasons I oppose the Bill, and I trust that other members representing rural districts will do likewise.

HON. L. A. LOGAN (Midland) [7.40]: It is obvious that the people responsible for this piece of legislation are not acquainted with what has happened in the past with regard to probate duty. If they had the experience of country members, and had seen what has happened to some properties in the past, they would probably realise that this type of legislation is vicious. Good properties have frequently had to be sold and have been lost to the people who pioneered them because of the necessity to pay high probate duty.

Let us take the example of a property which is worth £20,000, and which the farmer decides to hand over to his son. He immediately pays £1,200 in gift duty. If the son dies shortly after 12 months have passed, the family have to pay £3,400 for Federal and State probate duty. Therefore it is possible that, within a short period, a sum of £4,600 could be levied on one family. Using the same example, if the son who died left the property in his will to his brother and he, in turn, died after another period of 12 months, a sum of £7,000 or £8,000 would have been paid on the one property. Even a sum of £3,400 is far too high, and is too much for one person to find in ready cash.

Hon. N. E. Baxter: And that is only a small property.

Hon. L. A. LOGAN: It is not a big property today, but I am using that as an example. It is about the average of the small properties.

Hon. E. M. Heenan: Surely they would not have much trouble in finding that sum.

Hon. L. A. LOGAN: Oh yes, it would be easy for the owner of a £20,000 property to go to the bank and say, "I want £3,400." He would probably have to mortgage the property to do so; and why should he pay this money? He is giving it away with no hope of getting it back. Income taxation, road board rates, and so on have already been levied on these properties and surely a man is entitled to keep something for himself without having to pay it all away on these taxes.

I object most strongly to this legislation and we, as Country Party members, have always objected to it, but so far we have not been able to do anything about it. Now that we have the opportunity, I intend to make the most of it. The illustration I have given should be sufficient to prove to the House just how vicious this legislation can be. I intend to oppose the Bill.

HON. E. M. HEENAN (North-East) [7.43]: The debate so far seems to have resolved itself into the merits of this particular form of taxation.

Hon. L. A. Logan: It is increasing it.

The Chief Secretary: It has had nothing to do with the Bill.

Hon. E. M. HEENAN: It is very easy to say that death duties should be abolished. I think all of us know that hardship is caused by having to pay income tax and other forms of taxation that we must meet these days. But the community in which we live has to be maintained, and the only way it can be maintained is by raising the necessary finance by taxation. Money has been raised by death duties in every State in Australia. As the Chief Secretary pointed out, the rates in this State are lower than those in most other States of the Commonwealth.

Hon. A. L. Loton: We heard that about railway freights, too.

Hon. E. M. HEENAN: That does not alter the fact that it is true.

Hon. H. L. Roche: Why not keep them low?

The Chief Secretary: We are doing so.

Hon. E. M. HEENAN: It would be very nice if we could keep our taxation lower than the rates prevailing in the other States. On the other hand, there is the Commonwealth Grants Commission, on which we are mainly dependent, and apparently it has taken a rather poor view of the fact that we are asking it to give us as much money as it gives to the other States.

The Chief Secretary: If we do not get that, we cannot help the farmers, can we?

Hon. E. M. HEENAN: It is not a very easy task to stand up and defend taxation, because it is a very unpopular measure.

Hon. H. L. Roche: But you are game enough for anything.

Hon. E. M. HEENAN: Taxation has always been raised by taxing people's estates when they die, and it is too late, I think, to abolish it now. It would upset the whole fabric of our taxation if we did so. This Bill has some very meritorious provisions. It proposes to give relief in the lower groups, and the increases in the higher groups are not very high. If a person has a £15,000 or a £20,000 estate, that estate carries with it the advantages of the State in which that person lives.

Hon. H. Hearn: What about the person who makes £15,000 and spends it in his lifetime? He does not pay.

The Chief Secretary: He has done a good job for the community.

Hon. E. M. HEENAN: It is too late to debate the pros and cons of death duties now.

Hon. H. L. Roche: It is not too late.

Hon. E. M. HEENAN: For countless years the principle has been adopted in this State, in other States, and in all the countries of the British Empire, that the estates of people who die should be taxed. If a man has been fortunate enough to be able to accumulate an estate of £15,000 or £20,000, or more, I think the State is quite justified in raising something from him in the form of taxation when he dies.

Hon. A. L. Loton: He has paid his taxation during his lifetime.

Hon. E. M. HEENAN: The hon. member is trying to debate the main issue, which is futile. If he is consistent he should introduce a Bill to abolish death duties.

Hon. H. Hearn: Would you support it?

Hon. E. M. HEENAN: Of course I would not! I think it would be too absurd and ridiculous. This measure proposes relief in the lower groups and a very small increase, in my opinion, in the higher groups —in the groups that should be able to pay. For the life of me I cannot see anything wrong in that. If I had an interest in an estate that consisted of £20,000 or more, I certainly would not object to paying a reasonable amount in death duties.

Hon. H. Hearn: That is the stock argument on taxation.

Hon. E. M. HEENAN: I support the measure.

HON. A. R. JONES (Midland) [7.53]: I am going to oppose this Bill because I believe it is sectional legislation.

The Minister for the North-West: It is all sectional legislation.

Hon. A. R. JONES: The Bill provides that those in the lower-income groups should be given advantages; and I do not disagree with that, because of the fact that values have risen so considerably, and a property that was worth a few hundred pounds years ago is now worth a few thousand pounds. I do object, however, to the increase of 10 per cent. on a person who may have a larger estate; though, of course, the same thing applies, that a property worth £10,000 years ago is now worth £25,000, and because of the rise in capital cost he will have to pay more. It will penalise the man with a reasonable property; it will ask him to give both ways. As Dr. Hislop said, the way this legislation is framed it is asking people to pay two ways.

Other arguments have been raised in relation to properties that have been passed on to dependants—that is, to a wife or, in the case of there being no wife, to the children. Let us instance the case of a husband dying and leaving a wife and dependants. Not very long ago a husband died and left an estate and, within a week, his widow died. It was a fairly large estate and the dependants—the children —had to mortgage their own property in order to keep the old estate intact, because that was the wish contained in the will —namely, that the estate should be divided and carried on by the dependants. When probate became due in that case, it crippled the estate, which had to be wound up; and, of course, the wishes of the parent could not be carried out because of the terrific amount taken from the estate in taxation. That should never be. I think the amount we pay at the present time is sufficient, without putting on an additional 10 per cent. because one happens to have an estate valued at £7,500.

In one measure we discussed tonight, it is proposed that a dwelling-place shall be left free of all encumbrance and tax. If that applies to a dwelling what would be the position where the person's only assets happened to be an estate somewhere —say, a farming, grazing or any other business. Would the same apply to a dwelling, and would death duties be deferred, because an estate could be adversely affected as a dwelling? I feel both these pieces of legislation are framed to favour one section of the community. I am very much against sectional legislation of any kind, and I definitely oppose this measure on the grounds set out by other members, which I support.

HON. C. H. HENNING (South-West) [7.55]: I intend to oppose this Bill. It is bad enough having to find probate from an estate, but anybody with sufficient property has two probates to contend with. It is said that the duties in Western Australia are lower than those elsewhere, but it was only within the last

three months that I had a case where, although the amount claimed in probate is lower than that in the other States, the values in Western Australia are definitely higher. This case concerned a share in a private company. The value over here was 50s., and the Federal probate value was 42s. 6d. Those shares were offered here in Perth by a beneficiary living in Victoria, and the price at which they were offered was 30s. We were told by her that she was prepared to sell those shares at probate duty value in Victoria. So we have the Victorian figure at 30s. and the Western Australian at 50s. Victoria may have a higher rate but it would not seem as though it was collecting any more duties.

The point of view of the agriculturists was mentioned by Mr. Loton and others. He talked about a family that had built up a farm, and very few farms in the developmental stage are free from debt. When the boys come of age money troubles may prevent the transfer of certain interests in a property because of the duties that have to be paid. Yet as soon as death occurs these boys, or beneficiaries, have to pay in the first place the duty or the probate that is assessed. From the papers, these properties might appear to be very big. They are taken on the net value. In many cases there are mortgages—and quite appreciable mortgages, too. The bigger the farm, the bigger the mortgage—in most cases.

I am saying this because I have read the bulletin of the Department of Commerce dealing with farms in New South Wales, and I feel that what happens with farms in one State is likely to happen with farms in another. Stock is taken at value; in a month probate is assessed, and in a month or two that stock is sold. Then again income tax comes into it. These people get it from all sides. I will oppose this Bill purely and simply for the increased effect it will have on the estates of those who have done so much to make Australia what she is today. I refer, of course, to the primary producers.

HON. A. F. GRIFFITH (Suburban) [7.59]: I think it is rather natural that a Bill of this description should draw some fire. If there is any chance of the fire going out I should like to hasten to add a little fuel to ensure that it does not. I think we could well ask ourselves why taxing measures are introduced by a Government. The answer must be, to meet the costs of government; there is very little doubt about that. There is little doubt that the cost of government, as a result of the Government's own actions, has in recent months been very much increased. We have seen the present Treaurer making what he considers very noble efforts to fill the Government coffers by subjecting the people of our State to additional taxation.

Speaking on the second reading, the Chief Secretary said the measure would raise the exemption from £200 to £1,500. That is very admirable. Some slight benefit will be derived by a certain section of the community. But I do not think the Chief Secretary went quite far enough in his explanation. We have heard other members, particularly those representing agricultural areas, speak of the disabilities facing all estates, particularly agricultural properties. There is no question that probate duty is a very harsh tax indeed, without being made worse. I think it has been said that a farming property that was worth £10,000 prewar has doubled —and some times trebled—in value; so that we find a £10,000 property, with the change in the value of money, now worth £30,000 or more and, upon the death of the owner, probate is assessed on the increased value of that estate.

What chance is there of a trading concern—and that is what a farm is—raising the necessary probate duties in cash? And cash has to be raised. What possibility is there of sufficient money being raised for this purpose, and at the same time ordinary trading being carried on for the remainder of the season? The hardship in that case is terrific indeed. It has been truly said that the Government is the heir to every man's estate. Unfortuately, many men are inclined to forget that the Government is the heir to their estates. Certainly it is the first heir; for, whatever happens to a man's estate, the amount of assessable probate duty has to be paid.

Hon. E. M. Davies: That has been so right through the ages.

Hon. A. F. GRIFFITH: I know. But that does not make it any better. Because something has been iniquitous for so long, does that give us any right to say that we will make it worse by imposing a greater burden? Surely the hon. member would not think that! As the Act stands, where an estate does not exceed £6,000 and is vested in a widow, or a child, or a widower, or a parent, the amount of duty payable is half the normal amount; but I understand that when the estate exceeds £6,000, when it rises to £6,500, probate is payable on the whole estate. Today it is not very difficult for many men to have their estates assessed at a figure in excess of £6.000. If one goes to buy a house today, one finds that one has to pay a price for it—if it is a reasonably decent house—that approaches the £6,000 mark. If a man owns a motorcar, and some furniture, and perhaps a little money in the bank, and a statement of assets is set down for the purpose of assessing probate duty, it is not difficult for him to discover that he has beyond the normal assessable amount.

There is no doubt that probate duty is a sectional tax. It strikes at the man who has done most with his life, and it bur-

rows a greater hole in his estate than in that of the man who has not worried about the future at all. Mr. Hearn asked what was the position of the man who had made £15,000 and spent it. He pays no probate duty. If he has been thriftless, his reward—or that of his beneficiaries—is that no probate duty is paid, because there is nothing on which to pay it, for the simple reason that he squandered everything in his lifetime.

If a man is thrifty, and exercises a little care in his lifetime, making sure that his family is adequately and properly secured —if he takes out a decent life assurance policy, or has some money in Commonwealth bonds, or puts it into the bank, or acquires an estate in some other way—at the date of his death the reward is that the Government says, "We are the first heirs to your estate and a proportion of the money comes to us."

The Chief Secretary: How does all this tie up with the Bill?

Hon. A. F. GRIFFITH: I am positively astounded! What is the Chief Secretary attempting to do in making a remark like that?

The Chief Secretary: Are you dealing with probate duty, or with the Bill?

Hon. A. F. GRIFFITH: With the Bill; and the Chief Secretary knows it. If he does not, he has not been listening to me. I have been speaking along the same lines as other members. and have been saying that probate duty is an iniquitous tax; and I think the Chief Secretary believes it is.

The Chief Secretary: That is not the subject of the Bill.

Hon. A. F. GRIFFITH: I will not even give the Chief Secretary the benefit of hearing me say that I know what the subject of the Bill is. As I said in the first place, the reason that taxes have to be increased is because of the cost of government. I would like to see that part of the Bill dealing with exemptions up to £1,500 agreed to, and the provision for increases struck out. Because there is no hope of that, I propose to vote against the second reading.

HON. L. CRAIG (South-West) [8.10]: Nobody likes probate or estate duty, and nobody likes it less than I do. But one has to look at this matter in a factual way. Railing against estate duty will not get us anywhere. All over the world it is accepted as being a reasonable tax on the estates of deceased persons—not on the persons themselves, but on the beneficiaries. In effect, it is said that the beneficiaries have not done much for what they are to receive; and out of the estate, the Government should obtain a fair share. Whether we like it or not, that is an accepted fact in every country, and railing against it will not get us very far.

The Government is faced with this position—and it is a sure indication of what is happening to all State Governments—that, financially, it is controlled entirely by the Federal Government. There is a Grants Commission which dictates the financial policy of the State Government. It has said that such-and-such a tax, or rate, is lower than that in some other States; and unless there is an increase, the State will be penalised by a reduction in the amount of the Commonwealth grant. So the Grants Commission is dictating the financial policy to be followed by State Governments. It has said to our State Government that the probate duty is lower than in other States and must be raised, or the amount will be deducted from the annual grant.

The Chief Secretary: Which has been done.

Hon. L. CRAIG: Yes. So there is an obligation on us to see that the rates here are not lower than in the other claimant States of South Australia and Tasmania. What some of my colleagues have said about the ravages these duties impose on landed property is perfectly true. They are very real and can have a devastating effect. But thinking people today, who have any idea of what their estate is likely to be, have an obligation to see that their possessions include a certain proportion of liquid assets, even to the extent of neglecting further to develop their properties. It is incumbent upon them to see that they have some form of liquid assets so that when death occurs, money will be readily available without interference with their property or the business in which they are engaged.

It is not hard to make this provision. I do not want to talk life assurance, but I see a great deal of it and know how people have made preparation for the payment of estate duty. It is possible to go to an officer who will tell one exactly what one's probate and estate duty will be, and for what sum to insure. I do not care whether insurance is taken out or not. The point is that people must prepare for death by having liquid assets. There are two forms. One earns interest. That is the purchase of bonds or a mortgage, or something readily realisable. But the other and easiest form is life assurance. People insured before the war, or in the early part of the war, for a sum sufficient to pay probate duty; but they find it is not half enough now—not nearly half enough. The result is that there are enormous numbers of potentially well-to-do people, mostly farmers and squatters, who are increasing life assurance to a very great extent.

Provision was made for this in the Income Tax Assessment Act by allowing a sum of £200 premiums on life assurance as a deduction. A man of 30 who spent, say, £200 a year on life assurance would insure himself for somewhere about £6,000

or £7,000. I think it is something like £24 for £1,000 when one is 24 years old, and it would be about £28 a year for a man of 30. So, for £200 a year, which sum is a taxation deduction, a person can provide a liquid asset against the time when he dies. It is incumbent on anyone who is worth from £10,000 to £50,000 to take this precaution.

Hon. C. H. Henning: What happens if the bank does not lend the extra money when the person is developing?

Hon. L. CRAIG: The hon. member is talking of loans, and I am talking of building up an asset out of income during a person's life. Probate duty is not something which suddenly occurs. It is imposed on the estate on the death of the testator, but it has been accruing right through his life, and he should have made preparation for it. A wise man will go to a lawyer, accountant, trustee office, or bank, and say, "I am worth £25,000. What will my estate and probate duty amount to?", and he will be told. He should make provision to meet this tax by having sufficient liquid assets in his estate.

It is of no use voting against the Bill. We should pass the second reading and then request another place to alter some of the amounts that are set out in it, because they are not high enough. What is forgotten is that a man who today dies worth the equivalent of £1,000 before the war, does not pay the equivalent death duties, because he is on a higher scale. I would like to see the amount of £7,500 mentioned in the Bill raised to at least £10,000. The earning power of that sum is about £450 a year, out of which the person concerned has to pay tax. That is not a very large amount.

Hon. H. K. Watson: Are you suggesting a complete exemption up to £10,000 or an exemption from the increase?

Hon. L. CRAIG: An exemption from the increase. We could not exempt estates up to £10,000 because by so doing we would impose too great a burden on the larger estates. If a widow is left with £10,000 out of which estate and probate duty must be paid, she will not receive much more income than the old-age pension.

Hon. H. K. Watson: That is so.

Hon. L. CRAIG: I believe it takes much more than £10,000 to return a net amount equal to the old age pension for a man and his wife, so £10,000 is not such a large sum. We could easily lift the exemption to at least £10,000, and I am confident that consideration would be given to the suggestion by another place. We cannot fight against this sort of thing. We cannot lower our taxes. We cannot say to South Australia and Tasmania that we cannot tax our people to the same extent as they tax theirs. That is a negative outlook.

Hon. A. L. Loton: You do not advocate the abolition of State Governments?

Hon. L. CRAIG: No, but when we have an overriding authority like the Grants Commission which says, "If you do not bring this into line with the other States we will penalise you," we must do something.

Hon. H. L. Roche: When did it say that?

Hon. L. CRAIG: The Grants Commission has already imposed a penalty on us because our probate duty is lower than that in the other States.

The Chief Secretary: It appears at page 61 of the report of the Commonwealth Grants Commission.

Hon. L. CRAIG: Members must realise that I do not favour this tax any more than does anyone else, but we have to be factual.

Hon. C. W. D. Barker: You have put the best slant on it of anyone.

Hon. L. CRAIG: I support the second reading.

HON. L. C. DIVER (Central) [8.21]: I oppose the second reading of the measure. Mr. Craig has made out a case for every man in the community to take out probate insurance to cover the full amount of the tax, and that is a good advertising medium.

Point of Order.

Hon. L. Craig: That is not fair. I object. I look upon the hon. member's remark as a slur. I think I have a standing in the community which does not warrant an unfair innuendo such as that made by Mr. Diver. He may be used to doing things of that sort, but the people I mix with are not.

Hon. L. C. Diver: I ask for a withdrawal of that remark. My remark was born of experience of that type of person.

The President: Order! The hon. member must withdraw the remark he made with regard to Mr. Craig.

Hon. L. C. Diver: I withdraw it and I will apologise if I have offended the hon. member, but in turn I ask that he withdraw the statement he made.

Hon. L. Craig: If I did make a statement of that sort, I do withdraw it, but I do not think I made a statement of that sort.

Hon. L. C. Diver: I ask for an unqualified withdrawal.

Hon. L. Craig: I repeat, if I made a statement of that sort, I withdraw it.

Hon. L. C. Diver: The hon. member made the statement.

Hon. L. Craig: I do not think I did.

Hon. L. C. Diver: I leave it to you, Mr. President, to say whether the hon. member made the statement or not.

The President: The hon. member has withdrawn the statement.

Hon. L. C. Diver: I asked that he withdraw it without qualification, and he said he would, if he made it. I leave it to you, Sir, to say whether he did or not.

The President: I am sure Mr. Craig will withdraw his remark without qualification.

Hon. L. Craig: Quite so, Sir; whatever you say.

Debate Resumed.

Hon. L. C. DIVER: Will this measure mean, if it becomes law, that the State will gain more revenue? I say, without any restrictions at all, that it will not. It will only make people take the necessary steps, as they are getting old, if they have a worthwhile estate, to disgorge it and see that their families get the benefit of it, and so avoid paying probate and estate duties. I think the measure will defeat its own purpose. For that reason I intend to vote against the second reading.

On motion by the Chief Secretary, debate adjourned.

BILL—WATER BOARDS ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. C. H. SIMPSON (Midland) [8.25]: The Bill is a simple one; although, to read it, one would think it was complicated. Its purpose is to make possible the granting of long service leave to water board employees. I have gone through the measure with my colleagues in another place, and they say it is quite in order, and there is no objection to it. I support the Bill.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—BUILDERS REGISTRATION ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [8.28] in moving the second reading said: This Bill breaks new ground in certain particulars which I will explain after referring to the less important amendments in the measure. The necessity for increasing the revenue of the Builders Registration Board has been pointed out as insufficient funds are being provided to enable it to function as it should and to carry out the inspections necessary to police the Act. It is proposed to increase the fee that a registered builder shall pay to the board each year from one guinea to three guineas. This proposal has been referred to the builders' organisations—the Master Builders' Association and the Builders' Guild—and both, on behalf of their members, have agreed to the increase.

The work of the board has grown and it seems unreasonable that its members should be expected to attend for such a small recompense as one guinea per sitting. The Bill seeks therefore to increase the fee to two guineas. The third matter is not one of vital principle, but represents a slight alteration to existing practice. It is to remove the obligation to appoint the president of the Association of Architects as a member of the board and to allow the organisation to select its representative. Comparatively frequent changes occur in the presidency of the organisation and, because of that, the continuity of representation is affected. It is preferred that the architects should be able to select their representative, who would then be able to continue on the board for a number of years.

The next amendment is of a more important nature. Members will recall that, under existing legislation, any person who proposes to build a house not exceeding £800 in value is permitted to do so without seeking registration, or he may build a house for himself of any value without being registered. If he desired to build for somebody else, he would not be permitted to do so without being registered unless the value of the building did not exceed £800.

The Bill proposes to provide that a person may build for somebody else a house of a value of £4,000, instead of £800, but he must first seek registration as a conditional registered builder. The idea is that the board may be in a position to exercise some control over the work to be performed.

The other amendment relates to conditions under which a builder of considerable practical experience coming from outside the State may become a registered builder here and enjoy all the privileges of a registered builder. The Government's notice has been directed to instances of men having been engaged in practical building in other parts of the world for many years. When they come to this State, they are unable to obtain registration without first passing the prescribed examination, and men of their age do not find it easy to sit for an examination. It seems a little ludicrous that a man who has satisfactorily carried out large building projects elsewhere should be prevented from undertaking work here simply because he has changed his domicile.

It is not intended that such a builder shall be automatically admitted to the ranks of registered builders. He will still be required to pass a test of a practical nature, such as a qualified man would experience little difficulty in passing, but

he will not be required to undertake a lot of study. This is a departure from the requirements of the existing Act. It is highly desirable that the board should be able to exercise its discretion. Even though the board were perfectly satisfied that an applicant was fully capable of doing first-class work of any magnitude, it has no discretion to admit him to registration unless he first passes the prescribed examination.

That has been an insuperable barrier to a number of applicants. The purpose of the amendment is to give the board discretion to admit to membership and registration a properly qualified person after that person has been subjected to a practical test which the board will require him to pass. I think the necessary safeguards are there against the admission of unqualified persons, whilst at the same time latitude and flexibility are provided to enable us to meet a new situation in a practical way.

As I have said previously, builders who up till now have been denied registration because they have not been able to pass the prescribed examination, are to be allowed to erect buildings to the value of £4,000. This will encourage those persons to undertake the erection of dwellings, but not the more substantial buildings where they would require a knowledge of the finer principles of building.

I repeat that for the most part the Bill seeks to alter the existing position by way of a slight extension of principle in the two parts I have mentioned with regard to raising the valuation from £800 to £4,000 with respect to the type of buildings which the people concerned can erect, and for special provision to enable builders from outside the State with considerable experience to gain registration.

I was responsible, many years ago, for increasing the amount, which at that time was £500, and which served as a line of demarcation between an unregistered and a registered builder. The amount of £800 is provided in the Act now; and although at that time I would like to have seen the amount increased still further, I accepted the figure of £800 as being more reasonable than that of £500 previously provided.

The Minister for the North-West: That was the price of a house at that time.

The CHIEF SECRETARY: Yes; that is so. What the Bill will do is to place the metropolitan area in exactly the same position as a country area, because registration of builders applies only to the metropolitan area at present. Some people are of the opinion that raising the value of a house to be built by such a builder to £4,000 will permit jerry-builders to enter the industry. Members may recall that during the depression years many jerry-builders did come into the industry, and it was because of that that restrictions were imposed.

Hon. J. McI. Thomson: What do you mean when you say that you are placing a country area in the same category as the metropolitan area?

The CHIEF SECRETARY: As the Act stands at present, a man who is not permitted to build in the metropolitan area can go into the country and build. The Bill will now allow him to build a home, to the value of £4,000, either in the country or in the metropolitan area. It was decided to fix the figure at £4,000 because it was considered that that was the average price of an ordinary dwelling-house. Very often in past years I have complained about the manner in which the Builders' Registration Board operates, because I considered that the examination set by it was not suitable to the average tradesman who was desirous of becoming a builder.

I can almost remember the words I used. I said that the examination could be passed by a builder; and once he obtained registration he could take on a contract to build a G.P.O., and yet all that was sought by the legislation was to safeguard a person who wanted a small home built. I considered that the examination that had to be passed by potential builders was too extreme. It would have been a different matter if it had been only a practical examination in those days. Members know that there is a great difference between passing a practical examination and a technical examination.

By increasing to £4,000 the value of the building that can be built, we will enable many men who are now building in the country to build in the metropolitan area. However, they will still have to obtain a certificate, which will act as a necessary safeguard. The granting of the certificate will be based on their knowledge of practical work, and not on theory, as was previously the case.

There have been instances of builders who have come to this State and who, although ineligible for registration, have for many years been engaged in building in other countries or other States before they came here. They were not given the opportunity of sitting for an examination, although they were quite competent to carry out any building work.

On many occasions I have advocated that there should be three grades of certificates. One should be granted which would enable a man to build a timber-framed cottage; another for the building of a brick structure; and a third for a building over one storey. I think this is

a good measure, and I am sure it will meet the situation. I hope members will agree with me. I move—

That the Bill be now read a second time.

HON. J. McI. THOMSON (South) [8.41]: I did not propose to speak on the Bill this evening, because I had hoped to obtain some information before I did so. Unfortunately, however, it has not come to hand. I do not intend to oppose the Bill, because the Chief Secretary has satisfactorily outlined the necessity for its introduction. I regret that at present the Builders' Registration Board grants registration to builders who build only within a radius of 25 miles of the city. That provision was inserted in the legislation to ensure that those people who desired a home built obtained competent tradesmen to carry out is erection.

Over the past few years, many people in the country areas have had to accept contracts from people who held themselves out as skilled tradesmen, but who, after commencing the work, were found to be completely incompetent. As a result, many country people were exploited by such men. The Bill will prevent such occurrences in the future, because builders from the metropolitan area will not be able to engage in exploitation of that kind. I would have preferred the Bill to embrace all parts of the State instead of only the metroplitan area.

Hon. E. M. Davies: If that were done, would it mean that those people who are seeking registration would not come under the provisions of the Bill?

Hon. J. McI. THOMSON: No; I do not think so. Provided a man were competent, passed the practical test, and paid his fee of £3 3s., he would be able to build within a radius of 25 miles from the centre of the city. There is one point that I would like the Chief Secretary to clarify. Provision is made for a man who enters this State from the Eastern States, or from overseas, to apply for registration so long as he is able to prove that he is a competent builder, and complies with the requirements laid down by the board. The main essential is that the builder shall be of good character. Such an attribute must go hand in hand with his capabilities as a tradesman. When a person engages a man to do a job, he is entrusting him with a considerable amount of money.

There are many men who are quite competent to construct a building to the value of £4,000. Unfortunately, however, we have had unscrupulous men entering the building industry, the same as has happened in other industries. I do not think a person who is a resident of this State, and who desires to build in the metropolitan area, would be on the same footing as a man coming from another State or from overseas. The local man would have to sit for the examination and do a considerable amount of study before he could meet the requirements of the Act.

The Minister for the North-West: That is, a person from the country?

Hon. J. McI. THOMSON: Yes.

The Minister for the North-West: Yes, he would be penalised.

Hon. J. McI. THOMSON: That should not be. A man who desires to build in the metropolitan area should be placed on the same footing as those who are entering this State from overseas, or from other States. It was in regard to that aspect I wanted to move an amendment when the Bill goes into Committee; but, unfortunately, as I said previously, the information that I sought has not come to hand.

On motion by Hon. N. E. Baxter, debate adjourned.

BILL—CREMATION ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

THE CHIEF SECRETARY (Hon. G. Fraser—West—in reply) [8.45]: I desire to reply to a number of points raised by Dr. Hislop yesterday. I submitted them to the authorities and the following replies were received:—

(1) It is proposed that medical referees should be appointed from the practising medical profession. There are roughly 800 cremations annually. It would be impossible for the medical officers of the Public Health Department to cope with this task and the nature of their duties, which frequently requires their absence from the State or metropolitan area, would lead to inconvenience to the public. Private practitioners are available over week-ends, and several of these would be appointed.

One of the difficulties with the present arrangement is that Registrars are not available on week-ends and public holidays. It is anticipated that two medical practitioners in one or more group practices will be appointed. This should be acceptable to the profession and would cater for the public need.

Several members of the practising profession would be appointed to the job. I hope this will remove some of the objections raised.

A further objection to departmental officers serving as referees is that the Act has State-wide application. It will be possible to appoint referees in the larger country towns such as Kalgoorlie, and some others, although this will not be possible where there is only one doctor.

Hon. J. G. Hislop: How many such centres are there?

The CHIEF SECRETARY: Only one. It is not necessary for the certificate to be applied for here. That is the difficulty in having the Public Health Department officers appointed as referees.

> Members of the medical profession who are appointed will have official status as officers in the administration of the Act. It is considered that this is better than the arrangement operating in New South Wales, Victoria and Queensland where members of the medical profession are appointed as medical referees by private interests who own and control crematoria.
>
> The Act proposes that the Commissioner of Public Health deliberate on appeals against the refusal of a medical referee to grant a permit in certain circumstances. It would not be good administrative practice for him to hear appeals against the decisions of his own officers and colleagues.
>
> Inquiries in other States fail to reveal any disadvantages in appointing members of the medical profession as referees, and it has never been suggested that friction has been created in the profession by such appointments.
>
> (2) In the early stages of the drafting of the Bill it was proposed that a medical referee be empowered to order post-mortem examinations where he was in doubt on any point. However, after discussion with the City Coroner, the provision was deleted as it was pointed out that where any question of doubt existed over the cause or circumstances of death, the matter was properly one for the Coroner's decision under the Coroners Act. The medical referee should report his doubts to the Coroner, who could order a post-mortem examination if required. In this way overlapping and intrusion into the province of responsibility of the Coroner would be avoided.

Hon. J. G. Hislop: That will not be done under the present arrangement. The referees will not go to the coroner.

The CHIEF SECRETARY: It would be their duty to go to him.

Hon. J. G. Hislop: No; because it may not be a coronal death, but probably a doubt of diagnosis. The Bill is no use without that power.

The CHIEF SECRETARY: The hon. member's objection deals only with a question of doubt. Where there is a doubt of the cause, the referee ought to know. It is only when a doubt occurs that he has to go to the coroner.

Hon. J. G. Hislop: The doubt need not involve the coroner.

The CHIEF SECRETARY: Then why issue a certificate?

Hon. J. G. Hislop: In order to get a specific cause of death.

The CHIEF SECRETARY: If there are no suspicious circumstances, would it be necessary to provide this power?

Hon. J. G. Hislop: I think so.

The CHIEF SECRETARY: It would be necessary from a statistical point of view. The replies continue—

> On past experience it may be confidently expected that a coroner would authorise a medical referee to make a post-mortem examination whenever the referee considered it to be advisable.

Evidently that covers all the points raised by Dr. Hislop.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. R. Hall in the Chair; the Chief Secretary in charge of the Bill.

Clauses 1 to 6—agreed to.

Clause 7—Section 8A added:

Hon. J. G. HISLOP: I would ask the Chief Secretary to report progress and to request the department to insert in this Bill the original provision for holding a post-mortem. Otherwise I shall vote against the third reading, because the measure would be absolutely farcial. Unless the referee has some authority, he will be of no more use than the persons issuing the certificate today. People who have spent many years in the profession and in signing certificates, would have more knowledge of how the procedure worked than those who have no occasion to sign them.

I wonder when the department is going to agree to a suggestion made in this House and be helpful! Whenever it has been asked to look into a question, the answer has always been in the negative. The department must realise that the total knowledge does not exist in the Government, but in men who work under the Act. I rise to protest vigorously against another farce being enacted. If the department, on my second protest, still does not agree, then I shall vote against the third reading.

If the referee has no authority, and has to approach the coroner for a post-mortem, it will not be done, for this reason: There are many cases where the referee will have some doubt as to whether full measures have been taken to inquire into the death of an individual and he may desire a post-mortem to ascertain what has caused the death. This is not a coroner's inquiry. In order to get correct statistics, the referee should have the right to order a post-mortem.

Again, if a post-mortem is held, someone will have to pay for it. These eventualities must be provided for in the Bill. At present an individual merely has to present a form and ask for a signature; that position is farcical. The cause of death cannot be ascertained by the mere signing of a certificate, or the viewing of a dead body; sometimes a post-mortem is necessary, and the referee should have power to order it. Why should that be prevented merely because such duty would conflict with the duties of the coroner?

The CHIEF SECRETARY: Like Dr. Hislop, I do not want to have any farcical measure passed. I am prepared to report progress and refer the matter back. I have done all that was possible after hearing the objections of Dr. Hislop, and I have given the department's replies. Evidently what the doctor wants to insert is the original intention which, for some reason or other, after consultation with the coroner, was not included in the Bill. What those reasons were I do not know. I have the file before me, but have not been able to locate them. I want to see a good Act and I shall be happy to endeavour to get a further explanation.

Hon. J. G. HISLOP: I thank the Chief Secretary for agreeing to report progress. There are cases in which doubt arises as to the actual diagnosis of the disease of which the patient died. If members regard that as being fully investigated, I do not. We should give the referee the right to order a post-mortem examination so that the exact cause of death may be ascertained and stated on the certificate. If we want the Act to be a statistical record and to be of any real worth, we must empower the referee to order a post-mortem. At present, he could only express the wish to have a postmortem and the relatives could refuse. I say quite frankly that if I were asked to act as a referee under this provision, I would not consent.

Progress reported.

BILL—PRICES CONTROL ACT AMENDMENT AND CONTINUANCE.

Second Reading.

Debate resumed from the previous day.

HON. C. H. SIMPSON (Midland) [9.5]: The Chief Secretary, in moving the second reading, said there were only two points in the Bill, one of which was to continue the operation of the Act for another year and the other to form a consultative committee in place of the present advisory board. Before dealing with his speech in detail, I should like to traverse some of the background to this legislation, and I hope to satisfy the House that the time has come when price-control can be abolished.

For years all parties have advocated the dropping of price-control when conditions permitted. This was reiterated in another place by the Minister for Prices when he introduced the Bill. He pointed out that many items had been decontrolled, and said there was no need for price-control under normal conditions. When the Minister for Housing introduced his rents and tenancies Bill, he reminded the House that the Government was not bringing down a materials-control Bill. All of this pointed to the fact that conditions were gradually returning to normal.

When the Prices Control Act was passed in 1939, it was accepted as a necessary war measure. We all agreed that we had to submit to certain restrictions in the general interest during a period of emergency. At that time there were five main controls—price-control, wage-pegging, direction of labour, rationing, and materials-control. When the war ended, the first to go was the direction of labour; that was followed by wage-pegging; then rationing was thrown overboard; in almost all the States material has been decontrolled and the only one that remains is price-control, which seems to be one that all the States are intent on hanging on to.

I was one of those who strongly favoured the States' taking over the responsibility for price-control in 1948 when this power was surrendered by the Federal Government. I did so because I thought it offered a prospect of being entirely withdrawn at an earlier date and because the conditions in each State varied from time to time and from place to place. I considered that the State, having the responsibility for prices administration within its own borders, could release control in respect of many items which the Commonwealth authority, having regard to the whole of Australia, would not be in a position to do. Now, however, when there seems to be a tendency by the States to hang on to price-control, I am wondering whether it would not have been better had the Commonwealth retained this power, because there would have been pressure from all over the Commonwealth for the abolition of control.

We have been told that in New South Wales and Queensland, price-control has been made a permanent feature of the legislation. To my mind, that is extremely dangerous, because it is a very powerful political weapon. Say what we will, when authorities possess power, sooner or later they use it, and generally to the detriment of some people or some bodies. The Chief Secretary told us that those two States were retaining their legislation to continue price-control and offered that as a reason why we should do likewise. But why should we slavishly follow their example, particularly when, if we examine the question closely, we find

that overseas countries that have shown greatest progress towards recovery have been those which have scrapped or eased price-control and controls generally; while, on the other hand, the more backward countries, where the cost of living is rising have been the ones that are still hanging on to controls? When I give examples, together with facts and figures to support them, I think members will agree that we should follow the lead of those countries that have adopted decontrol rather than that of other States of Australia. As a matter of fact, Tasmania has released all controls with one exception and that relates to copper. This is the only thing still under control in that State.

Wartime controls, while we had to accept them as being necessary, did not in many instances work out as expected. They had a detrimental effect on the economy of the country and greatly interfered with individual liberty. There is a generation growing up, I regret to say, that has become conditioned, as it were, to the incidence of control; whereas a young country like ours, in which there is ample room for development, needs above all things a spirit of initiative, enterprise and independence, and it should be our aim to try to persuade our citizens to stand on their own feet and travel under their own steam.

If price-control were permanent, it follows that the various boards that have been constituted from time to time would become permanent, and I think one of the reasons why the Chief Secretary last night presented a very carefully prepared case was that the department administering price-control feared that there might be some resistance to its continuance, and naturally advanced all the good arguments possible in favour of retaining the department as at present.

If we examine the case for and against price-control, I think members will agree, especially after hearing some of the examples I shall give, that the arguments for its retention are not sound. We believe that if what are really redundant Government departments were abolished now, seeing that goods are in plentiful supply, manpower would be released for other avenues of employment and production. When we created those departments, we imposed an expense on the community by way of administration. We had to supply these departments with officers and provide office furniture, and we were also faced with the necessity for providing housing in the vicinity of the places where the officers worked, which put a strain on materials and manpower and the general programme of housing.

The Minister for the North-West: You do not suggest that they would not live in houses if they did not work for the Prices Branch?

Hon. C. H. SIMPSON: We believe there should be emphasis on country development rather than city development and this is another of those factors that help to build up a concentration of population in the city. During the last 10 years, as the Minister will probably have read in the Press, the population in the metropolitan area has grown by 100,000 and that is nearly the total addition to our population during that period. I think most of us would agree, by and large, that that is an unhealthy sign. Mr. Cain, Premier of Victoria, recently visited Western Germany and in a pamphlet published by the Australian Council of Retailers there appears the following:—

> The Victorian Premier, Mr. Cain, has returned from a business visit to Western Germany convinced that the German war recovery effort is second to none. There is no doubt the Germans are recovering faster than any other nation of the world involved in the war, he said today. "I was in Germany five years ago and I was able to make comparisons between then and now . . ."
>
> In 1948, during Mr. Cain's first visit, West Germany was living under a comparatively totally planned economy. In 1953, during Mr. Cain's present visit, the result of the removing of controls, permits, rationing and restrictions four years previously has become apparent.
>
> West Germany abolished controls, permits, rationing and restrictions in 1949, since which date the economic recovery in West Germany has been amazing. A perusal of the West German trade figures gives startling proof of this. The following excerpts from a statement by the Minister of Economics for Western Germany, Dr. Ludwig Erhard, sets out the position very well.
>
> " . . . In Germany, we have finished with a planned economy—thank goodness.
>
> "Planners used to say to me—' . . . Can we ensure that everybody gets a new pair of shoes every six years? Can we produce 30,000 cars a year? . . .'
>
> "We are now producing 40,000 cars a month.
>
> "My recipe? I scrapped controls, permits, rationing and restrictions. Then things began to recover.
>
> "When you fall into a system of quotas and the rationing of effort and then a price controller comes along to tell you how to hold down prices artificially you cannot wonder at foreign countries looking twice at your currency . . .

> "When I pulled German economic policy out of chaos four years ago—a chaos which you can hardly picture—there were plenty who said—'You can never do it. How can you drop the whole nonsense of permits and rationing and price controls overnight? Everything will break down.' Well, we know now that the opposite happened.

I doubt whether those present can form any idea of the chaos and ruin that was widespread through Germany at the close of the war. I have spoken to several people who have been there, and I have read accounts of the damage that was done. I have seen photographs which have given me a fair idea of the utter ruin and devastation in parts of that country and I believe that the degree of recovery under that system where controls were removed as far as possible is interesting evidence of what can be done if the people are inspired to work and are interfered with as little as possible.

Let us compare the cost of living in Australia with that in Canada, with the year 1937 as a basis. According to the Statistical Bulletin of the United Nations and taking the position in 1937 as equalling 100, the variation in the cost of living in the two countries is as follows:—

Australia	1937	100	Price control
Canada	1937	100	Price control
Australia	1949	160	Price control
Canada	1949	160	Price control
Australia	1950	180	Price control
Canada	1950	168	No control
Australia	1951	233	Price control
Canada	1951	188	No control
Australia	1952	249	Price control
Canada	1952	184	No control

In other words, Canada and Australia were in equilibrium at 100 at the end of 1949; but since then the Australian cost of living has increased by 55 per cent., while that of Canada has increased by only 15 per cent. In the United Kingdom the Government continued with a complete system of price-control and built up around it a system of manufacturing utility clothing. The scheme became so unwieldy that in the end there were, for example, 535 specifications for various types of boys' knickers and 781 for men's shirts. In an excellent article, a leading economist, John Jewkes, in December, 1951, pointed out that the British economic system is in a straightjacket. He said—

> I am going to suggest to you that the distinction between us and some of these other countries can be summed up in a phrase I have invented: they believe in hard economics and we believe in soft economics. Let me explain what I mean by that distinction. I would say that a hard economy is one where the race is to the swift and the battle is to the strong. It is an economy where you suffer by lack of achievement, by lack of skill or by failure. The soft economy, on the other hand, is one where nobody can get ahead and nobody can be hurt. Nobody can get ahead because that would contravene the sacred principle of equality; and nobody can be hurt, whatever his defects, because that would contravene the sacred principle of welfare . . . . .

Argentina has been under tight control by means of a dictatorship for about 13 years.

The Minister for the North-West: Who published that pamphlet?

Hon. C. H. SIMPSON: It is prepared by the Australian Council of Retailers and I commend it to the Minister. In Argentina—which, as I say, had been under tight control for about 13 years—they attempted a plan of industrial development near their main city of Buenos Aires. They had practically commandeered the primary produce of the country, and had sold it at fancy prices during the war shortages; and the difference between the price at which they bought and that at which they sold was used in the national interests to bolster up a self-contained secondary industry economy.

As a result, many of the workers in the rural areas flocked to the city, where wages were better, and in 13 years Argentina, which used to be outstanding as a producer of wheat and meat, reached the point where they had actually to have meatless days and imported wheat from Brazil to feed their people. One-third of the agricultural production had gone; and in the four years from 1948 to the end of 1952, their actual cost of living had risen by over 250 per cent.

Those are examples of the effects of exercising controls, either tight or loose. Controls always have a tendency to interfere with the liberty of the people; and once we impose restrictions and controls, no matter with what good intentions, we leave the people in a state of uncertainty, with the result that very often they do not do what they think is a commonsense thing to do, because they are not sure how it would fit into the Government pattern. In the end it is not done, or done too late and not effectively.

The outstanding feature of the Australian postwar economic development has been the increase in the availability and supply of goods and services. According to Mr. H. B. Brown, reader in economics at the Canberra University—he gave evidence at the recent Arbitration Court investigation on behalf of the labour unions—the per capita level today is some 30 per cent. above the 1946 level.

The previous Government in this State progressively eased price-controls and while it continued them believed that the time was nearly ripe to throw them overboard. It felt that, with the administra-

tion being as generous as possible, control was probably the solution of our difficulties up to that time. We consider, however, that even that leaves a feeling of uncertainty in the minds of traders and others, if the prices legislation is still there and can be reimposed at any time, because then there is a tendency among traders to be scared of doing what they should do.

One of them said to me, "I can think of half a dozen ways of giving rein to my own sense of initiative and enterprise in putting catch-lines out to catch the public eye and I might, as a matter of trading, deliberately reduce the price of certain articles perhaps below the payable point; but I would catch the trade in other directions, and it would pay me to do that." He said that was a common practice years ago, but that if a prices official came around and saw him selling the stuff at a reduced price, from then on that would not only be the ceiling price as far as he was concerned, but would also probably be set down as the controlled price for other people as well.

The Minister for the North-West: What if the officer caught him on the article he was making up his losses on?

Hon. H. Hearn: You always think the worst.

Hon. C. H. SIMPSON: I believe free competition solves those difficulties and that where there is an ample supply of goods—as there is in practically every line in this State at present—it settles the question of prices because there is a consumer resistance to high prices. Even if the circle of traders is restricted, that still applies. If prices go up a customer does not buy, and the trader must reduce his charge within the limits of what people are prepared to pay. That is a common economic law.

The Minister for the North-West: It depends upon the commodity. What about foodstuffs?

Hon. C. H. SIMPSON: If it is something the purchaser has to have, he buys less of it. I will deal now with some examples mentioned by the Minister. He said that the Government had decided to replace the advisory committee with a consultative committee and laid down the details of how it was to be constituted. The Act at present sets out that there shall be an advisory committee composed of skilled technical men, and an excellent committee has functioned very well indeed. It has been of immense value to the Prices Minister and the commissioner, but in the committee proposed in this measure there is no qualification at all for skill. It merely sets out that one member shall represent the manufacturers and wholesalers, one shall represent the retail traders, one shall represent the primary producers, and one shall be a woman representing the consumers. In addition, there will be the commissioner or a deputy appointed by him.

Apart from not liking the committee, because I do not think it would be nearly as competent as the other one, it seems to me an indication that price-control is being accepted as a permanent feature of our economy. I am definitely opposed to that, for reasons I have already given. One of the next points mentioned by the Minister was one to which I have just referred—the example of price-control being continued in other States. As I have already mentioned, Tasmania has released control on all items, with the exception of copper.

The Minister for the North-West: But it still has the legislation.

Hon. C. H. SIMPSON: Unfortunately, yes. With regard to New South Wales, a list was published the other day which showed that that State had released a tremendous number of extra items from control and, in this State too, as was shown by the list quoted in the Minister's speech, a large number of items have been decontrolled. One item which was recontrolled—and I can see no justification for it—was clothing. That commodity has been in plentiful supply and there is ample competition; competition would have solved all the problems with regard to that item. I am told that some of the prices were in excess of what the prices officials thought desirable. But as regards clothing, quality and range must be taken into account, and there are many clothing lines that are subject to what might be called the temporary influences of fashion and design.

Hon. H. Hearn: And of season also.

Hon. C. H. SIMPSON: That is so. Let us take ties as an example. A man buys a dozen ties at 42s. a dozen, and he sells them for 4s. 6d. each. Generally speaking, that margin is fairly good; but after a while the fashion is likely to change, and he has to sell the remainder of his ties at a considerable reduction. Consequently, his margin of profit is averaged out. These aspects are taken into account by a trader, and very often, at the beginning of a season, he will charge extra for certain lines because he knows that sooner or later he will have a certain quantity of stock left on hand which will have to be sold at a reduced price. The increased price at the beginning of the season is charged to offset any possible loss at the end, even though a prices official may think the beginning of the season prices excessive. That is done in almost all items of that type.

There seems to be a set idea on the part of prices officials that the margin should be so much. Prices must of necessity vary from place to place according to turnover; and in the country districts, to take an extreme instance, one could quite

easily find a place where people, for convenience sake, were happy to have the opportunity of buying some little item that they required, and they would not expect, because of the small turnover, to be able to buy that item for the same price at which they could purchase it in one of the larger towns. But, by the same rule, if they wanted something cheap, they would buy it in bulk when they ordered a consignment from one of the large shops; that arrangement works quite well. But generally speaking, those factors are not taken into account by prices officials.

A number of items were mentioned by the Minister as having been decontrolled, and he said that that was an indication that the Government realised that a good many items could be released from control. But if one were to go through the list of items subject to control, one would probably find thousands of items. The list, which is published from time to time, is not really of any great significance. There was a suggestion that prices officers took action because complaints had been lodged. Again I say that where the supply of goods is sufficient and people have an opportunity of going from shop to shop, surely there should be no room for complaint. I am inclined to think that this is a political move or decision rather than a factual one.

Sometimes a Government which has power to exercise price-control can make great headlines in the papers by featuring some trade, firm, or shop that has been prosecuted because its prices have been excessive. That sounds as if the Government is vigilant in serving the public interest. But I repeat that if people are allowed to stand on their own feet, and are encouraged to look for what is a fair price, and then buy the article if they feel so inclined, the difficulties will be solved.

The Minister for the North-West: But you did not think that last year.

Hon. C. H. SIMPSON: I said last year that there was a shortage in some commodities, and that there was a necessity for a liberal and generous price-control to continue for the time being. I also said that we hoped, as soon as goods were more plentiful, to drop these controls. That is the case I am now putting up.

Hon. C. W. D. Barker: What do you think would happen to the items used by primary producers, such as oil, batteries, super and so on? Those people would be put out of business.

Hon. C. H. SIMPSON: I will come to that in a minute, because the story the hon. member has told is not quite consistent with all the facts. Consequently, members might be interested in knowing the real story. Let us take the case of meat. Before meat was decontrolled, one could go into a shop, ask for meat, and obtain it. But if one wanted quality meat, one paid quality price for it, despite the existing controls. Today, if one wants quality meat, again one pays quality prices for it. We all know that with the high price of wool, and the increased value of sheep and all other stock, meat must of necessity be dear; that cannot be avoided. We are not going to get revenue from outside in payment for overseas exports without its being reflected in increased prices for the meat we have to buy.

If one goes to a butcher and wants a nice joint, lamb, silverside, or something like that—one pays a certain price for it. But if one wants a cheap joint, one can obtain it at a cheaper price. Apart from that, as everybody knows, there has been a lag in shop-building over the last few years. But if more shops were built there would be further competition and we would probably find that this problem would solve itself.

Hon. H. Hearn: It is solving itself every day.

Hon. C. H. SIMPSON: I think it is.

Hon. F. R. H. Lavery: Butchers must be doing all right if one of them can pay £28 a week for a shop and so far has no people to serve.

Hon. C. H. SIMPSON: If more shops were built there would be more competition, and this would result in lower prices.

Hon. C. W. D. Barker: We would not be able to buy beef if we lifted price-control.

Hon. C. H. SIMPSON: The question of hotel tariffs has been raised. Those who have travelled to the Eastern States know that hotel prices there are much higher than they are in Western Australia. I know because I have had that experience. While we find that some hotels here are more expensive than others, generally speaking, we find a reflection of those extra costs in the better service and conditions Actually hotel rates here, when compared with Eastern States rates, are quite reasonable. In any case, it is something that affects only a small portion of the community; not many people need hotel accommodation.

Hon. F. R. H. Lavery: You cannot get a bed if you want one.

Hon. H. Hearn: Rates here are much lower than they are in the Eastern States.

Hon. C. H. SIMPSON: The question of prices for electrical services has been mentioned as a justification for the continuation of price-control. I do not think that price-controls affected the cost of those services. What actually happened in this case was that the State Electricity Commission took over the service at Northam —the Premier's electorate—and charged the ruling rates for services rendered.

Previously, a lower rate had been charged by the municipality but this had been done at the ratepayers' expense. Naturally, a fair amount of work had to be done in rewiring and so on to bring the wiring of the houses up to S.E.C. standard. As a result, there was a shortage of competent men and those who wanted to get the work done were prepared to pay higher prices for it, mainly during the week-end period.

As regards plumbing, some of the plumbers who were charging high prices over the week-end were not registered plumbers. In any case, with the tightest possible price-control, these week-end jobs, carrying high prices, have been very common everywhere; and it sometimes paid a man to get a job done at the week-end, because that was the only way to get it done quickly.

Hon. F. R. H. Lavery: A sum of £64 for 15 hours' work!

Hon. C. H. SIMPSON: That is so; but price-control could not regulate those things.

Hon. H. Hearn: You could not cure that.

Hon. C. H. SIMPSON: It is like black-marketing. As a matter of fact, a system of price-control creates a blackmarket. There are two questions which have been hammered. One is the price of oil; and the other, the price of super. In regard to super, the figures given by the Minister seem to convey the impression that the super companies have not been playing the game, and that the prices-control people stepped in and reduced the price. Actually, the real conditions were quite different. If members saw a cutting from "The West Australian" of the 31st October, they would find that the Prices Commissioner, Mr. Mathea, announced that the price of super would be reduced as there had been a reduction of 3s. in the price of new cornsacks; consequently, the company's costs had been reduced. The figures were given in the Chief Secretary's speech. Actually, early in the year the super companies were asked by the Prices Commissioner to give their estimated costs; that was done.

Some months later, when the year's figures were finalised, they found that the actual cost was less than had been anticipated and so an adjustment was made. But the drop in the price of bags—which, of course, had nothing to do with the super companies or Prices Commissioner—was included in th price, which was then fixed at 7s. 9d. a ton cheaper. The savings they made in the purchase of cornsacks was passed on.

Something else was passed on. The man who bought his super from the 1st July to the 1st October, and had paid for it, had the difference in total cost refunded. During that time the super company had paid the extra price for cornsacks. But in spite of that, they absorbed it and gave that rebate to the customer so as to keep their prices standard all the way through. The super companies in this State are largely composed of primary producers themselves. To my mind it is inconceivable that a super company, up to 40 per cent. of whose shareholders are primary producers, would think of charging excess prices for its product. In fact, its farmer members would not allow it to do so.

The difference between South Australia and Western Australia is due to several factors. Here, for instance, the companies have spent quite a lot of money in adding pyrites-burning units to their plants. They have not been able to get the same properties of active sulphur as are obtained in South Australia; and anyone who knows anything about super knows that super produced from the burning of pyrites is a more costly process, and this naturally results in a dearer product. Apart from that, pyrites has to come from Norseman, a distance of nearly 500 miles.

The previous Government was most active in developing deposits of pyrites in Norseman because the sulphur outlook at that time was not encouraging from the world point of view, and we counted ourselves lucky that we had that pyrites to fall back on. The long haul does mean a very substantial freight. The previous Government, having regard to the value of primary production, subsidised that freight by paying half of it. Since then, not only has there been an increase in the freight, but the Treasury, instead of paying half, now pays only a quarter; and the Premier has indicated that he is thinking of removing that subsidy as well.

So that is perhaps the reason why the price of super in this State does not compare with the price in South Australia; the super there is being produced wholly from sulphur. They are preparing to utilise pyrites but have not done so yet. As compared with us, however, they are in a favoured position because their deposits of pyrites are close to the seaboard and the question of transport will be a minor one. We have to take conditions as we find them. Another thing that helped South Australia was the fact that they were producing a tremendous amount of acid at Port Pirie in connection with the uranium deposits up North. They were producing it on a large scale, and were able to make some of that acid available for the manufacture of super nearer the metropolitan area.

During our term of office, we found the super people here most co-operative, and their prices have always been gauged to the actual costs. If we examine their share returns over the years, I think we will find they have been very much on the small side. I would like to quote a small extract from the report of the Super-

phosphate Inquiry Committee; I think every member has a copy on his desk. The passage is as follows:—

> The Committee formed the opinion that the companies are technically efficient and well managed. Confirmation of this opinion was obtained from the Department of Industrial Development and the Prices Branch. So far as the Committee was competent to judge, there appeared to be little scope for reducing working costs by the adoption of different techniques or alterations to plant. In fact, judging from the estimates for the Albany works it appears that any change involving new construction must lead to higher costs on account of increased overhead. Fortunately the financial position of the companies can be greatly improved by the addition of only a few shillings a ton to the price of superphosphate, an increase of only small magnitude compared with the rise in bag prices between 1950-51 and 1951-52 or of freight rates between 1951 and 1952.

Despite the opinion of that committee that they were perhaps entitled to an extra few shillings per ton, the company has not in fact raised its price but has reduced it when the charge for bags and its own costs allowed that reduction to be made. It was not, as was seemingly indicated by the Minister when he introduced the Bill, because the Prices Control Branch had compelled the company to do so.

The Minister for the North-West: You will admit they made inquiries.

Hon. C. H. SIMPSON: They are constantly in touch. There was an exchange of information in regard to the costs and an estimate was asked for which was supplied. Later, when the figures were approved and the first estimates were a little over, then adjustments were made. I think that exhibits a spirit of co-operation on both sides. The Committee's report continues—

> The price of superphosphate in bulk at works has not risen more than has the general run of commodities and it has no special features attached to it. The need for using high-priced jute sacks and recent steep rises in rail freights, plus the necessity to utilise road transport, have accentuated this cost rise to the consumer.

Another portion of the report states—

> New capital is also required from time to time for expansion and conversion to pyrites-burning. Because of relatively low profits, the companies find it difficult to secure additional capital by subscription. One of the companies has some 5,000 farmer shareholders, and a certain proportion of new shares that are issued are earmarked for bona fide farmers, yet in recent years farmers with money to invest have shown no great enthusiasm for investing it in the superphosphate industry.

Obviously because they can find more favourable channels for investment elsewhere. Those are figures which can be verified and checked, because they are prepared by the Super Inquiry Committee.

We now come to the question of oils. The oil companies were represented as having made two applications for price increases, and instead of their being granted increases the intimation is that prices were reduced by 1d. a gallon. The facts are that the oil industry did not ask the price-fixing authorities to increase the price of petrol, distillate, diesel oil or fuel oil, at their last meeting; in fact, reductions in prices were proposed for diesel oil and fuel oil. No application to the prices authorities for increases in the price of petrol has been lodged since April, 1953, when a wholly justifiable increase was sought to cover added distribution expenses resulting from basic wage rises.

Reductions in tanker freights for the second quarter of this year provided a counter to the internal cost expansion; consequently no application for price increases in the above-mentioned products were made. However, the prices authorities considered only the freight reduction factor, and reduced the price of motor spirit by 1½d. per gallon, disregarding altogether the high distribution costs. I may say that the adjustment of tanker freights had been something which was pursued for some time. During the incidence of war scares some two or three years ago, and the fear that they might spread, the oil company tankers were engaged in conveying fuel to strategic points and in building up stockpiles; so naturally there was a shortage of tankers. Later, when the position eased, tankers became more readily available; and obviously they could get freight quoted to them at cheaper rates. That freight advantage was naturally passed on to the consumers.

As a matter of fact, the price of oil is controlled internationally. In America they have an independent company altogether, apart from the actual oil-producing companies, and they establish a base price from time to time. The only variations from that are the costs of freight and duty and exchange, and naturally these vary from point to point. The prices are competitive; and, as I say, the fact of a prices commission in one State or another in Australia makes no difference whatever to the actual price at which the oil is supplied to Australia. It would be just the same if there were no price-control at all.

Hon. F. R. H. Lavery: Would you deny that the oil companies asked for a rise of 2d. at the meeting before last, and that made it 3½d.?

Hon. C. H. SIMPSON: There were three quarterly periods in which they could have asked for an increase.

Hon. F. R. H. Lavery: What about the one in which they did ask for it?

Hon. C. H. SIMPSON: They did apply for a 1½d. rise in April last because of the rise in the cost of distribution occasioned by wage increases and extra expenses to which they were subjected. They made no application in July or October. The freight advantages which they had secured, which they had tried to secure, and which they recognised as cheapening the product was in order to pass those savings on. They were actually applied to absorbing those increasing costs instead of applying for a price increase, but, as they pointed out, the Commonwealth Government took into account the saving in freight only, and on that score reduced the price of motor spirit by 1½d. a gallon.

Hon. A. L. Loton: Were not one-brand petrol stations established with a view to reducing the cost of petrol?

Hon. C. H. SIMPSON: There is some misunderstanding about one-brand service stations.

Hon. F. R. H. Lavery: I will say there is!

Hon. C. H. SIMPSON: Prior to the adoption of that plan, the companies being competitive, there were batteries of pumps at every point in the metropolitan area. One company I know of had 200-odd pumps scattered throughout the metropolitan area. By arranging between themselves, the companies could handle the same quantity of petrol cheaper than by having one-brand stations because the type and quality of motor spirit were identical, and they were able to cut down costs of installation and servicing by a considerable amount, and those pumps could be taken out, reconditioned, and fitted elsewhere. Instead of its being necessary to have vehicles to service 200-odd stations, they had to provide only about 50.

Hon. F. R. H. Lavery: You can tell that to a layman, but not to anyone who knows something about it.

Hon. C. H. SIMPSON: It is only commonsense. None of that money which those service station cost was included in the costs that were submitted to the Commonwealth. The consumer was not debited with that at all. It is said that that system of cheaper distribution and the keeping down of costs has worked and will work in favour of the consumer.

Hon. F. R. H. Lavery: They have not given the public all they promised.

Hon. C. H. SIMPSON: I think they have. The hon. member must admit there has been an upsurge of costs over the past few years, and the petrol companies cannot escape the impact of that any more than other people can. If they have asked for an adjustment of costs from time to time, it is because they have had to. The petrol companies do not want to see petrol become more expensive than it has to be.

Sitting suspended from 10 to 10.25 p.m.

Hon. C. H. SIMPSON: In view of the question asked by Mr. Lavery, I might put on record the text of this memorandum. Mr. Lavery asked a question in regard to applications for prices, and the memorandum is as follows:—

> In response to an inquiry received locally, we communicated with head office, Melbourne, to ascertain the position in regard to applications by the oil companies for increases in price of major products at the present time and over past periods. The information supplied to us was as undermentioned:—
>
> 1. At the present time, no application is before the Prices Commissioners for an increase in motor spirit or any other major product. The only reference before the Prices Commissioners by the oil companies is a request for a discussion regarding the method of arriving at the margins the oil companies are entitled to on the sale of petroleum products. In this connection, no indication has been given the oil companies as to whether such discussion will take place.
>
> 2. October Prices Conference: No application was made by the oil companies for an increase at this conference.
>
> July: No application for increase of motor spirit or other major products.
>
> April, 1953, Conference: Application by oil companies for 1d. per gallon.

This is in line with information given by me to the hon. member. In regard to the basis of arriving at a system for determining what the margin shall be, the oil companies did approach the prices officials who finally said, "We will permit you to work on the basis of 10 per cent. gross profit on your capital." The oil companies advised that the amount of capital was £140,000,000, but the prices authority said that it was £90,000,000. Because of that difference of opinion it was impossible to arrive at a satisfactory figure. I would say that the oil companies are reputable concerns and would hardly be likely to name a figure which could be audited and checked, unless it were correct. It seems extraordinary that the prices officials insist that their capitalisation figure is only £90,000,000 when in actual fact it is £140,000,000.

Hon. F. R. H. Lavery: The increase in the cost of oil drums from 25s. to £2 10s., would alone account for a large increase in the capitalisation.

Hon. C. H. SIMPSON: That could be so. Before leaving the question of petrol and oil, I want to refer to a circular which was sent out by the Australian Automobile Chamber of Commerce, and which was quoted by the Minister when he introduced the Bill. According to this advice to the Prices Minister, the chamber said it was behind the move to keep the oil companies in check. The explanation of its attitude towards the oil companies is that its members are actuated by motives of self-interest. They want their stations to have a monopoly of buying wholesale and selling retail.

The actual bone of contention lies in the fact that the oil companies have always considered the big users and primary producers as being entitled to a concession rate, and they have given them a special rate. This is just what the Automobile Chamber of Commerce wants to cut out. I can hardly imagine our primary producer friends being happy if they are not allowed the concession which they have always received.

Hides and skins were mentioned, and with them I might also include tallow. The Chief Secretary said that if controls were lifted on hides and skins the following increases in the price of shoes would result:—

Men's	....	....	13s.
Women's	....	....	9s. 7d.
Children's	....	....	3s. 7d.

And the total estimated cost to the Australian community would be in the neighbourhood of £7,500,000 a year. Other experts apparently have a different assessment of the actual costs. They say that if controls on hides and skins were lifted, it would mean an increase of only 2s. in the price of a pair of men's shoes; from 1s. 1d. to 2s. in the price of a pair of ladies' shoes; and from 1s. 1d. to 2s. in the price of children's shoes. That shows a big difference, and it is in the interests of the producers and the public generally to have the question investigated to ascertain which figures are correct. In any event, I do not think there is a legitimate case for the continued holding down of the price for hides, skins, and tallow such as has been imposed during the past years.

Hon. H. Hearn: You mean, below world parity.

Hon. C. H. SIMPSON: I believe the primary producer is entitled to the highest prices his products can command in the overseas market. Already he has given the consumers in Australia the benefit of a home-consumption wheat price, and I think he should now be entitled to have the controls on hides, skins and tallow released.

The Minister for the North-West: What is the view on the rail freights?

Hon. H. S. W. Parker: They would be able to pay them if controls were released.

Hon. C. H. SIMPSON: The Master Tanners' Council of Australia decided that the time had arrived for the release of control on hides and leather. They said that serious complaints were being received from overseas because Australian hides were not up to standard. That is understandable when we consider the low price that growers receive, which does not pay them to do the necessary flaying and to adopt the proper methods which any sensible person realises they would do if they were able to get full value for their product, because the better the skin the better price they would be able to obtain. That has been proved with wool.

A reference was made to a publication in the "Traders Journal" dealing with price-cutting. The text of the article indicates that it was advising its members not to indulge in price-cutting. That was cited as an instance why controls should continue to be imposed. To my mind it proves the opposite; that goods being in full supply would create ample competition and there would be a move on the part of some traders to cut prices in order to secure trade.

Hon. H. Hearn: It is for the good of the public.

Hon. C. H. SIMPSON: Exactly; because, in the final analysis, we consider the consumer is entitled to the benefit of the lowest price possible, and the best service he can get. That practically covers all the items, with one exception. The Leader of the House, when introducing the measure, said that it should be tied to the pegged quarterly adjustments. I have here a judgment from Mr. Justice Jackson, dated the 13th November, 1953, which relates only to the quarter mentioned. The closing part of the final paragraph reads as follows:—

> Further quarterly changes in the cost of living will, as Section 127 requires, be considered by the court at the end of each quarter.

So apparently in the Act it is mandatory that cognisance shall be taken of the basic wage adjustment at the end of each quarter, the court obviously having discretionary power to decide whether it shall apply to the wage or not. In view of this very definite statement, I would say that consideration would be given to any upward movement in the cost of living if it were thought necessary. That is the only way that I can read sense into that final paragraph. From my reading of that judgment, I would say that the basic wage is not pegged, as was indicated by the Chief Secretary in his introductory speech.

The Minister for the North-West: They considered it; but that is all.

Hon. C. H. SIMPSON: That is an indication, to my mind, that—

Hon. H. Hearn: It will be reviewed.

Hon. C. H. SIMPSON: —if there were an upward movement in the cost of living it would be reflected in future judgments; otherwise that paragraph means nothing. I should think, in the light of experience gained by other countries where controls have been lifted and the freedom and the incentive of the individual having been restored in order that he may do his very best in a free economy, that controls have outlived their usefulness in this State, and by emulating the example set in those countries, our cost of living, instead of rising, should fall. I oppose the Bill.

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

BILL—ADOPTION OF CHILDREN ACT AMENDMENT (No. 2).

In Committee.

Hon. W. R. Hall in the Chair; the Chief Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Section 13A repealed and re-enacted:

The CHIEF SECRETARY: Members may have wondered why there are so many amendments in my name on the notice paper, which I admit is most unusual. Such a position sometimes occurs as a result of amendments being made in another place, and when an endeavour is made to bring the Bill back to what it was when originally introduced. However, that is not the reason for the amendments on this occasion. Since the Bill was printed, the secretary of the Child Welfare Department, and some of the judges, when realising that this measure was before the House, requested that other amendments should be made to the legislation.

Hon. L. A. Logan: Should they not have thought of that before?

The CHIEF SECRETARY: The judges were not concerned in the drawing of the original Bill. It was only when they knew that the measure was to be introduced that they requested that certain amendments be submitted.

Hon. L. A. Logan: Something must have happened to bring that about.

The CHIEF SECRETARY: Yes; something did crop up, and they requested these amendments as a result of their experience in the past. If members will study them, although they may look formidable, it will be found that there is nothing very contentious in them. I move an amendment—

> That the following be inserted to stand as Subsection (3) of proposed new Section 13:—
>
> (3) In this section the expression "Order of Adoption" includes an order varying, reversing, or discharging an Order of Adoption.

The reasons for the amendment are contained in the notes which I have before me, and they are as follows:—

> Members will recollect that proposed new Section 13A provides that copies of all Orders of Adoption shall be sent to this State in connection with children born in this State and adopted elsewhere in the British Commonwealth. Also, we should forward adoption orders for children born elsewhere in the British Commonwealth and adopted here.
>
> The amendment will enable this reciprocal action to cover reversals, discharges and alterations to an adoption order as well as the actual adoption.

This amendment will complete the story.

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

Clause 3—Section 13B added:

The CHIEF SECRETARY: I move an amendment—

> That in line 2 of Subsection (1) of proposed new Section 13B the words "born in this State but" be struck out.

The reasons for the amendment I have moved to this clause and also to that which I propose to move in the next clause are given in the notes supplied to me as follows:—

> Proposed new Section 13B provides for the registration of the birth under the Adoption of Children Act of a child born in this State whose birth has not been registered here.
>
> It is considered that provision should be made also for the registration under the Adoption of Children Act of a child adopted here, but which was not born here. If the child was born in a part of the British Commonwealth under which there was no reciprocal arrangement in regard to an exchange of adoption orders, then no birth certificate would be available in the adopted name. Proof of birth could then be established only by reference to the order of adoption, which would be most undesirable.

Amendment put and passed.

The CHIEF SECRETARY: I move an amendment—

> That in Subsection (1) of proposed new Section 13B all words in lines 12 to 25 be struck out and the following inserted in lieu:—
>
> "the Registrar of the Supreme Court shall forthwith give to the Registrar General a certified copy of the Order

of Adoption together with particulars in respect of the date and place of birth of the child and the name (commonly called the Christian name) by which the child shall be known after the adoption, the surname conferred on the child by adoption and the name and surname and place of residence of the adopting parent or parents.

(2) (a) On receipt of the certified copy and particulars referred to in the last preceding subsection the Registrar General shall in the prescribed form, register the birth of the child in accordance with the particulars disclosed.

(b) The registration of the birth of the child shall not be open to inspection and a certified copy of the registration of birth shall not be issued, except with the approval of the Registrar General."

Hon. A. F. Griffith: Under what circumstances would the Registrar General give approval to inspect the registration of birth of a child?

The CHIEF SECRETARY: Generally only in one case in a thousand would the Registrar General supply the information. It is to cover those odd occasions that those words have been included.

Hon. H. S. W. PARKER: Perhaps I can explain the position. Everything is kept secret in the adoption of children. Generally speaking, all documents in the Supreme Court can be inspected by payment of a fee, but not in the case of documents relating to the adoption of children. One can readily understand that. Firstly, the parents adopting the child generally pass the child off as their own; secondly, an adopted child might be illegitimate, and it would be embarrassing if the documents relating to its birth could be inspected. Under extraordinary circumstances a judge of the Supreme Court may make an order for inspecting the documents.

Hon. A. F. GRIFFITH: The amending Bill provides that the child shall take the name of the adopting parent, and it is highly desirable that at no time should the child's real name be disclosed, especially where the child's birth is illegitimate. Under what circumstances would the Registrar General approve?

Hon. H. S. W. PARKER: The only circumstances under which the Registrar General would give permission is where a legitimate child is adopted at birth, due perhaps to the death of its real mother, and in later years he becomes an heir to an estate. His real identity would have to be proved; and under those circumstances the Registrar General would approve of the inspection of the registration of birth. That is the only circumstance I know of.

Hon. A. F. Griffiths: Is it not a fact that a child is frequently adopted and assumes the surname of foster parents, but they do not know the surname of the child?

Hon. H. S. W. PARKER: Of course the foster parents would know all about it, because the consent of the real mother must be given.

The CHIEF SECRETARY: If members are not entirely satisfied with the explanation, we could go through all the Bill in Committee, and during the third reading have it recommitted. By tomorrow evening I may be able to make further investigations and give all the information required.

Hon. H. S. W. PARKER: We might avoid that trouble. Before a child is adopted, elaborate formalities have to be complied with in the form of affidavits. The foster parents, or parent, of the child are interviewed by the judge and consent has to be given for adoption. Irrespective of whether a child is legitimate or not, if the foster parents desire to change the Christian name and surname, this provision gives the court power to do so. The approval is forwarded to the Registrar General for registration. If a child is born as John Smith and is adopted by Mr. and Mrs Brown, and his name is changed to Brown, then if a birth certificate is required it will be issued in the name of Brown.

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

New Clause 3:

The CHIEF SECRETARY: I move—

That the following be inserted to stand as Clause 2:—

Section five of the principal Act is amended by—

(a) substituting for the word, "the" in line one of paragraph (9) of subsection (1) the word, "any";

(b) substituting for the word and figure "paragraph (4)" in line two of paragraph (9) of subsection (1) the words and figures, "paragraphs (4) or (5)";

(c) repealing subsection (11).

The proposal is to give the judges the discretion not to require the consent of parents to an adoption. The Act specifies that if the parents are living the consent of both of them is necessary. If one is

dead then the consent of the other must be obtained. This has reacted adversely in a number of cases. For example, a certain child cannot be adopted by its mother and her second husband because the first husband, the father of the child, who was divorced for adultery, and who does not maintain the child, refuses his consent. In one such case the father resides in England and the child, its mother and stepfather live here.

There are other cases of this nature, and it is proposed to overcome the difficulty by giving the judge the power not to require the consent. This is a discretion judges would not use lightly. It has been asked for by the judiciary who say it is most embarrassing for a judge to have to place on the order for adoption his reasons for dispensing with any consent to the adoption. The order of adoption is a public document and a lot of matters peculiar to adoption orders should not be publicised. In practice the Judge invariably puts his reasons for exercising his discretion on the confidential file dealing with the application for the order.

New clause put and passed.

The CHIEF SECRETARY: I move—

That the following be inserted to stand as Clause 3:—

The principal Act is amended by adding the following section:—

9A. Where an order of adoption is varied, reversed or discharged and the particulars of the terms and conditions of the variation, reversal or discharge are filed with the Registrar of the Supreme Court, he shall forthwith give to the Registrar General the particulars, whereupon the Registrar General shall endorse in accordance with the particulars given to him—

(a) the registration of the birth of the child concerned made pursuant to Part IV of the Registration of Births Deaths and Marriages Act, 1894-1948;

(b) the re-registration of the birth made pursuant to sections twelve A or thirteen of this Act; or

(c) the registration of the birth made pursuant to section thirteen B of this Act.

This is to make it incumbent on the Registrar of the Supreme Court to advise the Registrar General of any particulars filed with him in regard to the variance, reversal or discharge of an order of adoption. This will enable the Registrar General to automatically receive particulars of any action of this nature taken by a Judge of the Supreme Court.

New clause put and passed.

The CHIEF SECRETARY: I move—

That the following be inserted to stand as Clause 4:—

Section twelve A of the principal Act is amended by—

(a) adding after the word "made" in line three of subsection (1) the words "under the provisions of this Act or filed under the provisions of section thirteen A of this Act";

(b) repealing subsection (3);

(c) adding the following subsections:—

(4) The index of the register which is kept in the office of the district registrar and in the office of the Registrar General respectively, shall in each case be amended so as to refer to the re-registration.

(5) The original entry of the birth of the child, the duplicate of that original kept in the general registry shall not be open to inspection and a certified copy of the original entry of the birth of the child or the duplicate of that original which is kept in the general registry or the entry relating to the re-registration of the birth of the child shall not be issued, except with the approval of the Registrar General.

(d) Substituting for the subsection designation "(4)" in line one of subsection (4) the subsection designation "(6)";

This is a replica of provisions in Section 13 (1) (b) and (c) of the Act and will enable local adoption matters to be treated by the registrar in a similar manner to adoption orders made outside the State.

New clause put and passed.

The CHIEF SECRETARY: I move—

That the following be inserted to stand as Clause 5:—

5. paragraph (a) of subsection (1) of section thirteen of the principal Act is repealed and re-enacted as follows:—

(a) Where before the commencement of the Adoption of Children Act Amendment Act, 1949, an order of adoption has been made under the provisions of this Act or a certified copy of an order of adoption has been filed in the Supreme Court under the provisions of the next succeeding section in respect of a child whose birth is registered pursuant to the provisions of Part IV of the Registration of Births Deaths and Marriages Act, 1894-1948, the Registrar General on application being made to him in the prescribed form and on production of a certified copy of the order of adoption and on payment of the prescribed fee by the adopting parent or a person having knowledge of the true facts of the case shall in the prescribed form re-register the birth of the child in accordance with the particulars disclosed in the order of adoption, and in the first-mentioned prescribed form.

This repeals and redrafts paragraph (a) the present wording of which makes it appear that in all cases where a certified copy of an order of adoption has been filed in the Supreme Court under Section 13A application and payment of fee must be made before registration is effected by the Registrar General.

This was not the intention of the provision, which desired that only those orders which had been filed subsequent to the coming into operation of the amendment of 1945 and prior to the amendment of 1949 should be subject to such application and payment of fee. It is also considered undesirable to make any reference to the order of adoption as this is not done in Section 12A which also refers to registration of orders of adoption.

New clause put and passed.

Title—agreed to.

Bill reported with amendments.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. G. Fraser—West): I move—

That the House at its rising adjourn till 2.30 p.m. tomorrow.

Question put and passed.

House adjourned at 11.9 p.m.

Legislative Assembly

Thursday, 3rd December, 1953.

CONTENTS.

The SPEAKER took the Chair at 2.15 p.m., and read prayers.

QUESTIONS.

SCHOOL BUS SERVICES.

(a) As to Insurance Conditions.

Hon. A. F. WATTS asked the Minister representing the Minister for Local Government:

(1) Are buses used for carrying children to school under Education Department contracts licensed to carry a certain number of adult passengers?

(2) Is this number equal to the number of children the bus is authorised to carry by the Education Department or is it less than that number?