

Hon. J. A. GREIG: I move an amendment—
 "That all the words after '1917-18' be struck out."

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

Clauses 3 to 6—agreed to.

Schedules 1, 2, 3—agreed to.

Title—agreed to.

[The Deputy President resumed the Chair.]

Hon. H. Millington: What becomes of the report of the select committee?

The DEPUTY PRESIDENT: The report of the committee is embodied in the Bill.

Bill reported with an amendment.

ADJOURNMENT.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [11.53]: I move—

"That the House do now adjourn."

Hon. V. HAMERSLEY: I understood that a Bill was to be brought down remitting the double land tax which was imposed.

The COLONIAL SECRETARY: I have had no intimation to that effect.

Question put and passed.

House adjourned at 11.54 p.m.

Legislative Assembly,

Wednesday, 29th May, 1918.

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

[For "Questions on Notice" and "Papers Presented" see "Votes and Proceedings."]

QUESTION—CIVIL SERVICE ECONOMIES AND BONUSES.

Mr. TEESDALE (without notice) asked the Treasurer: In the event of an official supplying information resulting in economy being effected in his department, and being rewarded with a bonus, would the award be endorsed on his private file thereby disclosing the confidential nature of the communication?

The COLONIAL TREASURER replied: We are receiving numerous suggestions and it was proposed by a number of gentlemen that if a suggestion was accepted there should be an endorsement on a private file of the individual from whom it came. Then, if it came to a question of two or three men being in the running for a higher position, the endorsement on the file would carry some weight. It was thought that it would not do any harm to follow that course and in many instances it was preferred to a bonus being paid.

LEAVE OF ABSENCE.

On motions by Mr. HARDWICK, leave of absence for two weeks granted to Mr. Hudson on the ground of ill health, and to Mr. Foley and Mr. Smith on the ground of urgent public business.

BILL—VERMIN.

Read a third time and transmitted to the Legislative Council.

BILL—INSURANCE COMPANIES.

Council's Amendments.

Schedule of three amendments made by the Legislative Council now considered.

In Committee.

Hon. G. Taylor in the Chair; the Colonial Treasurer in charge of the Bill.

No. 1—Clause 4: After the word "management" in line 4 insert the words "in Australia":

The COLONIAL TREASURER: The clause with the amendment suggested by the Legislative Council will then read—

If it is proved to the satisfaction of the Colonial Treasurer that an insurance company has acquired the share capital of some other insurance company and that both companies are under a common management in Australia, a deposit of the sum of £5,000, etc.

The amendment will have the effect of making the meaning of the clause more definite. I move—

"That the amendment be agreed to."

Question put and passed; the Council's amendment agreed to.

No. 2—Strike out clauses 7 and 8:

The COLONIAL TREASURER: I made strenuous objection to these clauses when they were inserted by this Committee, for the reason that I thought it would be putting great power and responsibility in the hands of the Treasurer, and laying him open to very great criticism. I think the very fact that these clauses were put into the Bill in the Assembly will be accepted by the insurance companies as a notification that if anything is done by them in the direction of forcing up rates this House will take an active part in combating that movement. These clauses having, I think, already served that purpose, I move—

"That the amendment be agreed to."

Hon. P. COLLIER: I recognise that, perhaps, there are some reasonable grounds of objection to the clauses, as they were inserted in this Committee, but I am not optimistic regarding the effect of their mere insertion upon the insurance companies. I do not think that will for a moment influence those in control of the insurance companies, particularly if they know, as they do, that Parliament at present has no power whatever to check any increase they might desire to make. If the Treasurer is in any way acquainted with the workings of those companies he might be able to tell us whether there is anything in the nature of a ring or understanding among them.

[Mr. Stubbs took the Chair.]

Mr. Harrison: Have you heard of an underwriters' association?

Hon. P. COLLIER: I confess it is a phase of life with which I am not well acquainted. Of course,

there are reasons why the Treasurer should not be saddled with the responsibility of saying whether or not any increase in rates should be imposed, but I would like to be assured that there will not be any increases attempted as the effect of the Bill.

The Colonial Treasurer: I hardly think so, seeing that the companies are getting the same rate of interest as before.

Hon. P. COLLIER: I do not know that 4½ per cent. is not a reasonable return for their money, but we know that many of these trading concerns grasp at the slightest pretext for increasing their rates. I hope this legislation will not afford them such pretext.

The Colonial Treasurer: If it does, they know the temper of this House.

Hon. P. COLLIER: But no matter how enraged this House might become, we have no power to deal with the companies. The companies also know, as the result of this Bill, that the temper of another place is not on all-fours with the temper of this place, and that even if they have no friends here they can count on some support from another place.

Hon. J. Mitchell: What about State insurance?

Hon. P. COLLIER: It is one of the directions in which probably we could launch out with greater success than perhaps we have achieved in other State enterprises. In New Zealand State insurance has been in operation since the early days of the Seddon Government. More recently the Queensland Government have taken over insurance, and the result of their first year's operations was most satisfactory. As a matter of fact, if I were in a position to embark on State enterprise, I would endeavour to confine my operations to those enterprises which would give me a monopoly.

The Colonial Treasurer: They have not a monopoly in Queensland.

Hon. P. COLLIER: No; but they are able to give such favourable terms as to attract a big volume of the business their way. However, I do not suppose it is of any use fighting another place in regard to this, seeing that apparently they are in fighting mood at present, and willing to take on any sort of scrap that comes along. I must repeat that I hope this legislation will not result in increased rates. If any warning I might offer, in conjunction with that of the Treasurer, would be taken heed of by those in control of the insurance companies, I would assure them that they can anticipate a bad time at the hands of Parliament if they take advantage of this Bill to increase existing rates.

Mr. PICKERING: I support the Treasurer's remarks. I feel sure that the action of this Committee in inserting the clauses will go far towards deterring the companies from taking advantage of this legislation. During the time I was connected with insurance companies, there was no desire among them to increase their rates.

Question put and passed; the Council's amendment agreed to.

No. 3, Title—Strike out the words "and to regulate the premiums charged on insurance":

The COLONIAL TREASURER: This is consequential. I move—

"That the amendment be agreed to."

Question put and passed; the Council's amendment agreed to.

[The Speaker resumed the Chair.]

Resolutions reported, the report adopted, and a Message accordingly returned to the Council.

BILL—VERMIN.

Third Reading.

Hon. F. E. S. WILLMOTT (Honorary Minister) [4-57]: I move—

"That the Bill be now read a third time."

Hon. T. WALKER (Kanowna) [4-57]: I am not going to weary the House, but I desire to enter my emphatic protest against the passing of the Bill. It is still exceedingly imperfect, after all our endeavours to improve it, and I am painfully conscious that by the Bill we are putting a burden on the settlers for which they will everlastingly blame the House. I trust that while the Government are in recess they will give further consideration to this subject, and devise some scheme that will make the eradication of vermin in this State a national question, and not a burden placed upon the pioneers.

Question put and passed.

Bill read a third time, and transmitted to the Legislative Council.

Sitting suspended from 5-0 to 6-0 p.m.

BILL—GENERAL LOAN AND INSCRIBED STOCK ACT AMENDMENT.

Conference Managers' report.

The COLONIAL TREASURER (Hon. J. Gardiner—Irwin) [6-0]: I have to report that the conference of managers of the Legislative Council and the Legislative Assembly agrees to amend the amendments of the Legislative Assembly set out in Message No. 21, by adding the words "such loans not to exceed the total sum of £750,000" to amendment No. 1. I move—

"That the report be adopted."

Hon. W. C. ANGWIN (North-East Fremantle) [6-1]: By the adoption of this report we shall be actually handing over to the Legislative Council the control of the purse. That has never been done previously in Western Australia, I believe.

The Minister for Works: That is right.

Hon. W. C. ANGWIN: The position is most serious. I recognise that those representing this Chamber at the Conference did the best they possibly could in the circumstances; but another place has come down on us and said definitely, "We are going to limit the powers of the Assembly; we are going to tell the Assembly how it shall deal with the finances of the State." While we in this Chamber have the power of making and unmaking Governments, the Council by its action has as good as told the Treasurer that he does not know his business. The position in which we are placed is most serious. As long as we have had two Chambers it has been recognised—and I think I can safely say it has been the Constitutional practice—that the Assembly should control the purse. I hold that the Assembly ought to take some action for maintaining its rights in the matter. Since I have been a member of this Chamber I have never known of a better opportunity to test the Council's powers than this present opportunity. In every part of the British Empire to-day finance is the great difficulty. In Western Australia finance is no less a difficulty than it is in any other part of the British Empire. And yet we find those who are not responsible to the people as a whole, but responsible to only a portion of the people,

about one-third of the people, laying down to us the financial policy of the Government. That is a thing we should object to. The action of the Council on this Bill will in all probability, to some extent hamper the development of the State; and the Treasurer ought to have taken a strong stand. I believe he would have had the support of every member of the Assembly in doing so. Instead, the hon. gentleman has seen fit to move that the agreement arrived at by the managers should be endorsed by this Chamber. Perhaps he hopes that by the time he has spent the £750,000 gentlemen of another Chamber will have returned to reason. There may be a possibility of their return to reason. But we are now being asked to create a most dangerous precedent. Once the Council is granted this power, members of that Chamber will contend that they are the people who are in control, and not we of the Assembly. I regret that the Treasurer should have seen fit to accept, though I suppose he could not do otherwise, the dictation of another place.

Hon. T. WALKER (Kanowna) [6-6]: I would willingly have deferred speaking so that we might hear someone from the Government benches on this most important subject. I believe that in taking the step proposed by the motion we should be absolutely sacrificing our time-honoured rights as the governing body so far as finance is concerned. The whole history of the battle of Parliament is one of conflict between the two Houses as to the command of the purse. In every British self-governing community it has been specially emphasised that the power of the purse remains with the Lower House, the Assembly, or in England the House of Commons. The British House of Commons would not for a moment tolerate the interference of the House of Lords in a matter of finance. The Lords can reject, but they cannot amend, a money Bill. The policy is extremely wise, and has been tested, and its value proved, by experience. No Colony, no State, following in the footsteps of Britain has ever allowed the Upper House to interfere in finance, except in the general way of rejecting—the power an Upper House always has. But never in the way of amending, and thereby practically dictating. All our self-governing powers go the moment the other place has the right to interfere in finance. This body then becomes immediately a nullity. We cannot then pursue a policy. Our policy is dictated to us the moment another Chamber can suggest amendments in finance Bills and insist upon them, and we have to follow. The people have no voice then, as a people, in the government of the country. The government is then relegated to the privileged few who are elected on a specific franchise representing wealth. Wealth alone becomes the governing power of the country the moment that that occurs. It is in order to protect the Commoners, to protect the people, that the British House of Commons has stood so resolutely in battle after battle, in contest with the House of Lords, to prevent the House of Lords having a say in the construction of financial measures—the sole power of that House being confined to the rejection of a money Bill. Now we here are starting, now Western Australia is setting an example, giving the first precedent, to permit the second Chamber to dictate—for that is what it amounts to—the financial policy of the Government. That is to say, we are about to violate that soundest of all maxims—no taxation without representation. Ultimately it will mean that, for there is no representation of the

people at large in another Chamber. The other Chamber represents a class, a section, a privileged and wealthy section of the community; and that alone.

Hon. J. MITCHELL: Not necessarily wealthy.

Hon. T. WALKER: Not necessarily wealthy in the sense of having a large balance in the bank or of having large assets in the form of landed property, but wealthy in the sense that there is a limited franchise, that the adult citizen, because he is an adult citizen alone, does not necessarily have representation in that Chamber. Let hon. members put it as they like; another Chamber represents a privileged class, a section of the community only; and that section is about to be placed in a position to dictate what shall be the taxation of the whole of the people of this State. Thus, we get at once taxation without representation—a principle which has been so abhorrent to the blood of Britishers that in days gone by the attempt to put that principle into practice caused the loss to the British community of that great territory and great people we now know as the United States. The United States was lost to Britain on account of the need for resistance to the principle of taxation without representation. I did expect that, especially in these times when we are all fighting for democracy, when the world is in death throes for the principles of democracy, we should have found in the Treasurer and in the Government a bulwark of defence against encroachments of this nature. I do not know where we are drifting to. This is a small thing, possibly. It is the convenience of the moment we are serving. But a tiny fissure in the banks which protect us will let in the whole flood by and by. If we yield even in a small thing, it is bound to be the precursor of yielding in all things. And we who are here to represent the people as a whole, the adult citizens, the men and women, of this State, we are handing over their rights to another body which, from the very commencement of Parliamentary institutions, has been held in check by the will of the people. I would have expected to hear even from the Treasury benches the most strenuous opposition to an innovation of this description. We have had what was described as Tory Government in this very Chamber. You yourself, Mr. Speaker, have been auditor to debates which have assailed with the fire of resistance proposals of this very nature; and that when the occasion has not been so marked or so opportune as this present occasion. I remember Premiers, and not very long ago, keeping this House waiting for hours, and rather losing a measure, rather throwing it out, than allowing this House to be dictated to, however plausibly or courteously, by another place. Seemingly, we are losing every fibre of our strength, and all pride of our position, and every respect for the people whom we represent, and every atom of our traditions. Seemingly, we are now willing to cave in, and to become supine, and to yield to the dictates of another place.

Sitting suspended from 6-15 to 7-30 p.m.

Hon. T. WALKER: Before tea I was drawing attention to the infringement of the privileges of this Chamber. I am aware some members may say this is so small a matter that it is not worth fighting, but it is the thin end of the wedge and we know that this is the establishment of a precedent which may be broadened and ultimately become so strong that resistance is practically

useless. We should remember that it is our duty to fight now. I can well understand some members saying that this is scarcely of the character of an infringement in financial matters. I submit that whatsoever limits in the slightest degree the capacity of a Government to finance the State either in the way of raising money, borrowing money, spending or distributing money, whatsoever is of that character comes under the general rule of finance. And this is one of them. It is true it is not exactly a measure of supply or of ways and means in the strict sense of the word, but it is intimately connected with those measures. It limits the responsibility of members of the House in a financial matter, it relegates to another Chamber that has not that responsibility to suggest and to make laws to run the country, and in however slight a degree it does that, for that reason I am surprised at members allowing a matter of this kind to pass without protest. It may be said by some, "Wait until we have something bigger to fight about," but it may be too late then because we may have established precedent after precedent and cannot go back. It is in the incipency of the danger that the check should be applied and this is an incident of that kind. I know members at one time in their history would have boiled with rage at the indignity placed on this Chamber, that another Chamber should interfere with their rights. I draw members' attention to the fact that all money Bills originate in this Chamber, and must so originate. Why? Because it is the recognised principle of British Government, as old as our institutions themselves, for the Commons or the people's House to have the sole command of the purse, and the purse implies the penny as well as the pound. The smallness of the interference does not alter the principle. Money bills cannot originate in the Legislative Council, they must originate here, and we have fought time after time for the sole right of dictating the financial policy of the country, leaving only to the Council the responsibility of rejecting the whole measure. But they cannot in any particular, or in any detail, alter one item of what we consider the financial policy of the country. If we are going to allow this now, if we pass the motion moved by the Colonial Treasurer, if we do that, we absolutely abnegate our independence in that respect. We are giving them equal authority by so small a matter as this to another Chamber. We are no longer a House representing the people with the sole command of the people's purse. The other Chamber stands in equal authority. Although that Chamber is a non-party House—it has not by the Constitution of this country the same authority—we are going to delegate to it, to this privileged Chamber representing only a section of the community equal authority with the people's representatives. It is a terrible step to take. It is evidence of the evaporation of the spirit that has made the House of Commons historic and respected by every nation of the world; it is the reduction to that impotency that can only create contempt and disgust on the part of the people in the sense that we have abnegated these privileges and duties for which we were elected, duties and privileges enshrined in our Constitution embedded in history and breathing of the spirit of the noblest patriots and statesmen that have built up the British nation.

Hon. J. MITCHELL (Northam) [7:40]: Whilst I agree with a great deal of what has been said by the last two speakers, I think the House would be wrong in not supporting the Treasurer. An

opportunity came to members when the Message came from another place, but we agreed to appoint managers. It will be seen that the Treasurer has power to raise all the money needed this year; he has won to that extent. Now the managers have agreed that the Treasurer shall have all the money he wants this year at $6\frac{1}{2}$ per cent. The limitation does not apply to anything he has asked for up-to-date. The Treasurer has all the power he wants. I agree with the arguments used by members, but they should have raised those points when the Message came to us. It is perfectly true, finance is Government, and the House is responsible for the financial affairs of the country. Here we make and unmake Governments and express approval and disapproval of the acts of Ministers. We must control the financial affairs of the country. We have to recognise that we do send the Bills to another place for their consideration and it is competent for them to make suggestions. They have suggested an amendment and we have agreed to meet them and have met them. If it were one of the big questions of principle, I venture to think the House would object to interference by another place. If this Bill were rejected the Treasurer would have been able to raise money at five per cent., but he could have given any discount he like but that would have been unwise.

Hon. W. C. Angwin: If the Commonwealth want the Bills at par, what are we going to do?

Hon. J. MITCHELL: The Treasurer is justified in asking for this alteration of the Act and I think the House is right in passing the amendment. If members look into the question they will see that they are not giving way entirely. The managers have agreed that $6\frac{1}{2}$ per cent. shall exist for this year and if the Treasurer wants more money he must introduce another Bill. The Constitution as the member for Kanowna says gives this House responsibility and this House must take the responsibility, as it has a right to take on any matters of finance. But I do not think in this matter we are justified in taking up the attitude which the hon. member recommends. I have no intention of casting a silent vote on the question because I agree with so much that the hon. member has said but I think it proper to accept the amendment; we lose nothing in doing so. We do not set up a precedent that is at all dangerous.

The COLONIAL TREASURER (Hon. J. Gardiner—Irwin—in reply) [7:45]: There are two phases of this question which I as Treasurer of the State have to take into consideration. In the first place, rightly or wrongly, we appointed a conference. If we had disagreed the measure would have been dropped. At the present juncture would the people of the State or would this House itself have felt that I had done the right thing in having the measure dropped, seeing that it might possibly have put us in the extremely humiliating position, as suggested by the member for Northam (Hon. J. Mitchell), of operating under the 5 per cent. Bill and giving a huge discount, because that is what I would have had to do if the Commonwealth Government demanded debentures? I do not wish for a moment to suggest that this question of the privilege of this House has been raised either by the member for North-East Fremantle (Hon. W. C. Angwin) or the member for Kanowna (Hon. T. Walker) in anything but the best interests of the House. If we go into the technical position we find this is not a money Bill, as we understand money Bills. It was not introduced by a Message.

Hon. T. Walker: It should have been introduced by a Message.

The COLONIAL TREASURER: I very much question whether another place could not stand on its dignity and say that this is not a money Bill, not having been introduced by message, and that it is merely a machinery Bill upon which it has as much right to express an opinion as this House. I am inclined to think that we would be getting on to very questionable constitutional grounds if we fought it there. There is another phase. I was very particular when introducing this measure to say what I wanted it for, and for how much I wanted it. I said the reason was that we had to borrow £700,000 and that the Commonwealth, for that £700,000, might ask for debentures. I think I have the power, as I have explained, under two Acts to do certain things. I could have given them local inscribed stock at any rate of interest I liked and I could have given them 30 years stock bearing a six per cent. interest, but neither of these stocks are domiciled in Australia.

Hon. J. Mitchell: You do not want to give 30 years.

The COLONIAL TREASURER: That is quite right. I was placed in a far more awkward position than on the occasion of the stand I took over the £3,100,000 loan. The Commonwealth Government wanted us to pay up these Treasury bills. They were getting their money at $4\frac{1}{2}$ per cent., but if they forced us on the market at six per cent. to pay them the $4\frac{1}{2}$ per cent. they would have been receiving the benefit, and probably would have made something like £45,000, the difference in our interest bill to the State. When I went to the Treasurer's conference I said, "You cannot do that with me, representing Western Australia. You borrow that money for the States, and whatever terms you get I am going to insist on getting." The result was that we got that extended at $4\frac{1}{2}$ per cent. for five years or until after the war, on the very terms on which the Commonwealth borrowed the money. They are at present, because they have not been able to raise a loan, only charging us five per cent. This is apart from the constitutional point. They were quite candid and said "We will probably get the money at about six per cent., and we will in all probability want debentures from you." Consequently I knew that all the debentures I had to issue this year would be for the £700,000. We sent back our amendment agreeing to the Council's amendment, but with this addition, "and for any loans which may be raised up to the 30th June, 1919." I knew all the money I would require, and the whole thing was done at my suggestion. I put the thing in myself. I do not think, in doing that, I gave away any of the privileges of this House. It was quite open canvassing, and I would have done it in the first instance if I thought there would have been any objection. I wanted to do this for another reason. One would judge by that debate that I was trying to do something surreptitious, by which I could go on the market and raise any loan I liked, and commit the State for any amount I liked up to $6\frac{1}{2}$ per cent. interest. If it did nothing else it showed the people that I was candid, and was prepared to state specifically the necessity which arose for that amount and for having to give debentures for it. I do not think even the member for Kanowna will say that in putting in this paragraph at the end of the amendment I forfeited any of the privileges of the House. We all of us

have a right to see that an open cheque is not given to any Treasurer to raise any amount at the high rate of interest of $6\frac{1}{2}$ per cent.

Hon. W. C. Angwin: I would not be afraid to do that.

The COLONIAL TREASURER: The hon. member might not be afraid. He, like myself, has infinite trust.

Hon. T. Walker: You are always responsible.

The COLONIAL TREASURER: That is not the question. The fact was that I knew what specific sum I wanted. I put it there, and did not mind putting it there, for why should I mind? There was this fear behind me, that if we disagreed at that conference it was going to put this State in a very peculiar position, and the Treasurer into an extremely awkward predicament in the State's interest. Under these circumstances I think the House might well agree, and taking all the surrounding facts into consideration, I think there is nothing undignified in what we have done. There has been a giving way of no privileges. When peace comes, and we want to put Section 46 of the Act on a much sounder basis, I will join in the fight with my hon. friends to see that what is now an uncertainty is made a certainty, so that this House can protect the privileges, to which the member for Kanowna has referred as having so distinguished the British House of Commons. Time after time in this House, on far more important questions than this, in which there have been infinitely stronger grounds, the House has recognised that it has had to give way. It has said "We do this; it shall not form a precedent, but we are forced by circumstances." I could turn up several instances which have occurred here. In the circumstances I do not think any fair-minded man in the House, jealous as we all are of the privileges of the House, would say that we have given away any rights and privileges of the House. With a full sense of my responsibilities, and with the knowledge that it may be said I forfeited what I should have fought for, I ask the House to accept the proposition.

Question put and passed, and a Message accordingly returned to the Legislative Council.

BILL—STAMP ACT AMENDMENT.

Council's Amendments.

Schedule of five amendments requested by the Legislative Council now considered.

In Committee.

Mr. Piesse in the Chair; the Colonial Treasurer in charge of the Bill.

Hon. T. WALKER: Was this Bill introduced by Message into this Chamber? All money Bills must be introduced by Message, that is to say all those Bills peculiarly within the province of this House. Section 66 of the Constitution Act states that all Bills for appropriating any part of the Consolidated Revenue Fund or for imposing, altering or repealing any rate, tax, duty or impost shall originate in the Legislative Assembly, and another Section says that all such Bills shall be introduced by Message. I should like that point to be settled before we go on any further.

Point of Order.

Hon. T. Walker: My point of order is that the Bill we are dealing with is a Bill impos-

ing or altering a tax. That is the first thing to be borne in mind. All Bills of that kind, whether for imposing or repealing any tax, shall originate in the Legislative Assembly, and according to Section 67 of the Constitution Act, it shall not be lawful for the Legislative Assembly to adopt or pass any vote, resolution, or Bill for the appropriation of any part of the Consolidated Revenue fund which has not been first recommended to the Assembly by Message of the Governor.

The Chairman: Does this Bill appropriate any part of the Consolidated Revenue fund?

Hon. T. Walker: The Bill imposes a duty. It is an alteration of an impost. "May" stated that a burden on the people cannot be imposed unless the measure for imposing that burden is introduced by Message.

The Premier: Section 68 of the Constitution Act sets out that all Bills for appropriating any part of the Consolidated Revenue fund, or for imposing, altering, or repealing any tax, duty, or impost, shall originate in the Legislative Assembly. This Bill does impose a tax or duty, and therefore it has originated in the Assembly. But it is only Bills which appropriate any part of the Consolidated Revenue fund or any Bill which appropriates any rate, tax, duty, or impost which must be introduced by Message. The Bill before hon. members does not appropriate money. It is simply a machinery Bill for imposing a tax. When the Bill first came before Parliament the Crown Law Department were consulted, and they declared that it was not necessary to introduce it by Message.

The Chairman: I rule that as this Bill is not a Bill for the appropriation of any part of the Consolidated Revenue fund, it is therefore properly before the Committee.

Dissent from Chairman's Ruling.

Hon. T. Walker: We are running into a great danger of abolishing all time-honoured rules, Standing Orders, Constitution Act, and everything else, and therefore I shall be obliged to disagree with the Chairman's ruling. I move—

"That the Committee disagree with the Chairman's ruling."

[The Speaker resumed the Chair.]

Mr. Piessé: The member for Kanowna raised a point of order that the Stamp Act Amendment Bill was improperly before the Committee inasmuch as it had not been accompanied by a Message from the Governor, according to Section 67 of the Constitution Act. I ruled that as the Bill did not appropriate any part of the Consolidated Revenue it was therefore properly before the Committee. The hon. member has disagreed with my ruling.

Hon. T. Walker: I scarcely think I need to argue this matter. It is so well known a principle that we cannot put a burden upon the people without a Message from the Crown, and it seems absurd to have to argue it afresh, because the principle has been so well established as to become the common knowledge of every member of this Chamber. It is a fundamental principle that the Crown must

participate in the imposition of a tax and it is requisite that the authority of the Crown should be conveyed by way of Message. I cannot now understand what is meant by challenging that well recognised law. It is held that this tax does not appropriate. But it does. It appropriates the tax to the use of the Government, of the Consolidated Revenue and of all purposes to which the Treasurer may put it. It is not a specific appropriation, but a general appropriation of moneys raised for the Treasurer. The Committee of Ways and Means does not go into Committee for the purpose of appropriating. When the Treasurer introduces his Estimates he does so by Message. In addition to that we are obliged afterwards to have an Appropriation Bill. But the fact that afterwards we appropriate it does not destroy the necessity for going into Committee of Ways and Means by Message. The battle has been fought again and again. The principle is so well established that it astounds me to find members of the Government challenging it. We are degenerating into a mere irresponsible gathering. We are taking away the rights of the Crown now, depriving the Crown of the Crown's share in the Government of the State. It is absolutely altering our Constitutional principle. In every taxation or impost we must have a Message, and the Crown by that means participates in the legislation of the country. There are only two ways by which the Crown can participate: in the first instance by Message and in the second by Assent. The moment we put a burden upon his subjects the King has the right to a voice. We are now depriving his Majesty of that right. I ask you, Sir, not to be misled by a quibble as to the meaning of "appropriation." There is no specific appropriation, but the taxes are appropriated to the use of the Crown in a general sense. That is the meaning of the word here. That cannot be done without a Message. I draw your attention to "May," 11th edition, page 561, as follows—

Examples may be given of matters which need recommendation from the Crown: namely, advances on the security of public works when funds in addition to the funds already available to such purposes must be provided to meet such advances; advances to landlords or tenants beyond the scope and objects of the Public Works Loans Acts; Bills relating to savings banks which create a charge upon the Consolidated Fund or other public liability; the imposition of stamp duties by private or provisional order Bills; the extension of the time for the repayment of the deposit which has become liable to forfeiture in the case of a private Bill, the release or compounding of sums due to the Crown; the repeal of an exemption from an existing duty as the burden of the duty is thereby augmented.

That is the whole principle from which we must not depart. And on page 562 we have the following—

No instruction to a committee on a Bill can be proposed which would enable the committee to add provisions to the Bill creating a charge or imposing a tax upon the people, unless such instruction receives the recommendation of the Crown.

That is conclusive. It is astounding that we should have to argue it at all. There is a law laid down for us. Whatever increases the burden on the people requires a Message from the Crown. If we depart from this we shall be a rabble and no longer a Parliament.

The Attorney General: Of course, every word the hon. member has so clearly read from "May" is the law of England; but our Constitution is not the law of England. That is the point. The law of England on that subject is unwritten. It has been passed down from century to century by cumulative decisions in the House. But we are a new country. With the consent of that same Parliament we have taken to ourselves, years ago, a Constitution which sets out all these very same principles in more exact detail and a little differently. If the proposition put forward by the member for Kanowna were correct there would be no occasion to have Sections 66 and 67. We would need only one section. Let us have a look at those sections. Section 66 deals with the provision of Consolidated Revenue and with the imposing of taxation, and it says in each case that Bills relating to these points must originate in the Assembly. See how different the following section. It does not say a word about imposing taxation. The word "imposing" does not occur in that section. The word there is "appropriation"; and to give the argument of the member for Kanowna any point at all, we have to read "imposing" into Section 67. This is not the first time this has been argued in this House. At all events it is perfectly clear, and is the law of this country that a taxation Bill may be introduced without a Message.

Hon. T. Walker: I am surprised to hear you say so.

The Attorney General: And it is only when a Bill appropriates any part of the Consolidated Revenue or is a Bill for the appropriation of a rate tax or duty or impost for any purpose—that is to say, if by this Stamp Bill we allocated altogether the tax from stamps to the Agricultural Bank, or to the destruction of rabbits, or the establishment of a bakery at Leederville, most certainly we should require a Message.

Hon. P. Collier: Or if it was to build a bridge over the Swan.

The Attorney General: Yes, no end of illustrations may be given. But where a tax is merely imposed, before we appropriate the revenue to be derived from that tax we bring down Estimates introduced by Message, and we appropriate the fund thereby credited.

Hon. T. Walker: Not by Estimates but by an Appropriation Bill.

The Attorney General: Section 67 deals with appropriation pure and simple and does not deal with the imposing of any tax. It deals with the appropriation of a tax if you like, but it is vastly different to impose a tax which the Treasurer will appropriate after we impose it. It is a play upon words for the hon. member to take up time and quote "May" as to what obtains in England. He might as well have quoted some Russian author as to what obtains in Russia.

Hon. W. C. Angwin: But we are guided by "May" in all that we do.

The Attorney General: We are guided by "May" in all that relates to similar matters; where we have procedure laid down similar to that of England and the House of Commons' decisions are given in "May," I admit we are bound here. But suppose in our wisdom we chose to make a Standing Order which is quite different from any Standing Order in the British House of Commons. "May" would be no more applicable to that Standing Order than is "May" applicable to Sections 66 and 67, which do not appear in the British Constitution.

Mr. Speaker: The hon. member for Kanowna has dissented from the ruling of the Chairman of Committees, and in his remarks he has relied on Section 67 of the Constitution Act.

Hon. T. Walker: Not particularly, on the general principle.

Mr. Speaker: The hon. member quoted that section to support him, and also he afterwards quoted "May." The hon. member must, I think read into Section 67 something which is not there. The section reads—

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

A similar question arose in this House on the 3rd September, 1912; and I shall quote the ruling from page 159 of the "Votes and Proceedings" for 1912—

Question having been raised whether a Message from His Excellency the Governor was required in recommendation of clauses proposed to be added to the Pearling Bill and imposing certain royalties, Mr. Speaker ruled, "That it was sufficient that the proposed clauses should be moved by a Minister of the Crown, and that a Message from His Excellency the Governor was not required."

That ruling I consider a sound ruling, and therefore I certainly must uphold the ruling of the Chairman of Committees in this instance.

Dissent from Speaker's Ruling.

Hon. T. Walker: I am not satisfied. "May" is so clear on this point and the precedent is so dangerous—

Mr. Speaker: Does the hon. member dissent from my ruling?

Hon. T. Walker: In the circumstances, I must dissent. I dissent because we are here upon exceedingly dangerous ground. The argument has been adduced to you, Mr. Speaker, that we are not bound by "May." I submit that we are bound by "May," and that he is our guide. Wherever our Standing Orders are silent upon any matter, "May" is to be taken. Our own Standing Orders provide that.

The Attorney General: But this is a Statute.

Hon. T. Walker: I know it is a Statute. The matter is too serious for me to allow it to pass over quietly. I defy any authority in this House to quote me an instance where it has been held to be legal to impose a tax upon the people without a preliminary or accompanying Message from the Crown. There have been instances such as you, Sir, have cited, which do not impose a burden. "Blackburn" gives numerous instances of that kind. But wherever a tax is to be put upon the people, I know of no instance where we have ousted the Crown from our proceedings. That is fundamental in the Constitution of Great Britain, which, as the Attorney General says, is not written, but which is recorded and handed down to us in "May" and other authorities. It is foolish for the Attorney General to say that that is the law in Great Britain but not in this country. Our Standing Orders are framed in the same spirit as the British Constitution. I understand it is purely on the word "appropriation" that I am ruled against. But I submit that the reasoning is strained, and that the Attorney General himself has placed a strained interpretation upon the word "appropriation," and that his own illustrations answer his argument. We do not appropriate, in the strict sense of the word, when we go into Committee of Ways and Means. When we pass the Estimates, we do not appropriate; that is done by a subsequent Bill. But is there a member of this House who will say that it is not necessary to introduce the Estimates by a Message? We do not appropriate here, but we impose a burden; and the very moment that we propose a burden in a measure, that very moment we require the introduction by Message. This is precisely on all fours with that case. It is true we do not appropriate the specific amount raised by stamp duties. They never are, strictly, appropriated. The money raised under the Stamp Act is never earmarked for a specific purpose. One cannot earmark what is raised under the Stamp Act. But it is appropriated for general purposes; it is used, and that is its appropriation. It goes into the Treasury; it becomes the property of the Crown the moment the tax is collected and is used for any purpose for which the general revenue of the State may be expended. Without quibbling over the word "appropriation," it is the imposition of the burden upon the people that makes it necessary to have the Message from the Crown. From the initiation of self-Government in this country right up to the present moment we have followed "May" on that point, and have followed our own practice and our Constitution Act. I hope the House will protect its privileges. If not, our forms and institutions will be entirely remodelled by our own slipshod, careless, neglectful methods. The Crown is at once ousted, and in such circumstances a Minister or anybody else can introduce taxation upon the people. It is humiliating to me to have to argue in this way. The theory is that we are going to be more careful about measures imposing burdens upon the people, that we are going

to consider them and are going to take the Crown into our confidence upon matters of such importance, and that therefore we must not allow an innovation of this kind, not to creep in, but to be deliberately introduced.

Mr. Speaker: The member for Kanowna has, by motion, dissented from my ruling. Is there any seconder to the motion?

Hon. P. Collier: I second the motion.

The Premier: I think the member for Kanowna is confusing the recommendation of the Crown with the special form provided by Section 67 of the Constitution Act. The hon. member has dwelt for some considerable time on the point that the Crown was being ousted from its position. But the hon. member must recollect that the Crown is represented in this House by the Ministers who occupy these benches.

Hon. T. Walker: But the Crown is not represented as a branch of the Legislature.

The Premier: No taxation measure can be brought before this House unless it is recommended by a Minister of the Crown, whereby the privileges of the Crown are at the same time safeguarded. No member of the House can of himself introduce any Message imposing any form of taxation or duty upon the people of this State. Only a Minister of the Crown can do so, and he does so as representative of the Crown in this House of Assembly. I think the member for Kanowna has lost sight of that circumstance. This is not a Bill for appropriating any funds that have been collected by taxation, but merely a Bill for imposing taxation or a duty and, as has been pointed out by the hon. member, "May" holds that no taxation can be brought before the House without the recommendation of the Crown. The recommendation of the Crown comes in by a Message to the House; it comes through a Minister, but once we appropriate that money collected by taxation for any special purposes, when we come to spend it the Minister can introduce a Bill, and nobody else, but we cannot spend that money unless a special Message is brought down from the representative of the Crown, the Governor of the State. It is laid down in the Constitution Act, and I think that is the position taken up by the House of Commons. "May" says no taxation can be imposed except on recommendation from the Crown. That recommendation is made by a Minister. I hold that we are, by not introducing a Message, conforming entirely to the written Constitution of the State, at the same time the spirit of the Constitution of Great Britain is supported by "May." We only follow the practice of the House of Commons when we have no specific Standing Order to deal with the matter. When the Standing Orders do not specifically state what is to be done we have to go to the practice of the House of Commons. What our Standing Orders specially provided for we must follow, but otherwise we must follow the practice of the House of Commons. I maintain we are following the practice laid down in our Standing Orders by the introduction of the measure without bringing down a Message from the Governor.

Mr. Draper: In this matter I am not going to speak as one who poses as an expert on Parliamentary procedure. I admit that the member for Kanowna (Hon. T. Walker) has had far more experience in this Chamber than I have had, but I do not think that the matter hinges upon procedure at all. It appears to me that this matter is one of the ordinary construction of an Act of Parliament and of two words in the English language, and on matters of that kind I claim to have as much right to speak as any other member of the House, whether elected last election or whether he has been here 10, 15 or 20 years. When we look at the Constitution Act, which really governs the matter before us, we must remember that in this State we have a Constitution which is contained within the four corners of an Act of Parliament. The Constitution in England under which the British House of Commons conducts its proceedings is an unwritten Constitution which has grown up by practice through the ages. We have here, however, an Act which regulates our proceedings. We cannot claim in this young State any immemorial usage to guide us. When one looks at our Act we find it clearly laid down that there are two classes of Bills which it is necessary to introduce in the Legislative Assembly and which cannot be introduced in any other Chamber. Those are Bills which impose a tax or a duty. That is one class, and Bills which deal with the appropriation of money, which is another class. The imposition of a tax, I may say, is a necessary step before we can deal with appropriation. When a Bill is introduced into this House which imposes a tax, and when the tax is imposed and passed by another place, before the money can be expended under the Constitution it is necessary that another Bill should be introduced to this House, that is an appropriation, a totally different thing from the imposition of the taxation, and a necessary sequence. If we are to conduct the business of the State it follows on the imposition of the tax. The two things are quite apart and in our written Constitution it is provided that when we deal with the appropriation of money, the spending of money, before any Bill is introduced in this House, a Message from the Governor is necessary. The member for Kanowna prays in aid our Standing Orders and from his argument I gather he relies on Standing Order No. 1 to the effect that—

In all cases not provided for hereinafter, or by sessional or other orders, resort shall be had to the rules, forms, and practice of the Commons House of the Imperial Parliament of Great Britain and Ireland, which shall be followed as far as they can be applied to the proceedings of this House.

That does not say that we should carry out the procedure of the British House of Commons in every detail. It merely says "resort" may be had for the purposes of our guidance where no provision is made by our Standing Orders; and it goes on to say they shall be followed as far as they can be applied to the proceedings of this House. When we read rules of that kind, and when we look at the Act itself, I may say we could not apply them.

There is no necessity to apply them. It is a rule, as regards regulations for the purpose of carrying out an Act, that in looking for the interpretation of the regulations we must consider the Act and that must be the main guide. If any regulations are contrary to the Act the regulations are void; but I have another reason apart from any general law and which appears to be the truer guide. A Message from the Governor is not a proceeding in this House at all. A proceeding in this House is the moving for leave to introduce a Bill and all the necessary steps that follow. A Message is not a proceeding in the House. Where does the Message come from? Is the Message written in the House? Is the Message sent by the House to itself? Does the Governor stand in the House at the bar and send a Message to the Speaker? How can it be said that the Message from a person outside the House is a proceeding of the House? Can we look at a Message required by the Constitution Act as a proceeding of the House? On the contrary. What is required by the Constitution Act? Before a Bill which appropriates money can be introduced into the House there must be a Message from the Governor. In other words, a Message from the Governor is a condition precedent to the introduction of the Bill into the House and it is not a proceeding of the House at all. Unless the condition that a Message must be received from the Governor has been complied with, no Bill can be introduced. Therefore a condition precedent is not a proceeding of the House. I submit your ruling is quite correct.

The Minister for Works: I have very little to say but I wish to draw the attention of the House to a proceeding in the year 1914-15. The Premier of the day, Mr. Scaddan, introduced a Stamp Act Amendment Bill and in searching through the list to find out if any Messages were required in that year I find that no such Message was required on that Bill.

Hon. T. Walker: Was the point taken?

The Minister for Works: I do not know.

Hon. T. Walker: Two wrongs do not make a right.

The Minister for Works: I give the House what is the fact. In that year the same kind of Bill—a Stamp Act Amendment Bill—was introduced and no Message was received from the Governor; so far as I know it was not required by the House.

Hon. P. Collier: It is most interesting to hear the Minister for Works sheltering himself behind some action taken by Mr. Scaddan when Premier of the State: I should have thought he would rather bring to his aid a precedent not framed by Mr. Scaddan, having regard to the attitude which the hon. member adopted during those years; that would have been an excellent reason for deciding that Mr. Scaddan was wrong. It is the first time I have known the hon. member, in the course of six or seven years, to stand up and quote an attitude adopted by the Premier of the Labour Government as a justification for being correct and a justification for his own attitude. I only rose be-

cause of the fact that in giving your decision you relied largely on a ruling given by the hon. member for Mt. Magnet when Speaker, in September, 1912, upon this matter, and I inferred from your words, the case was precisely on all fours with the question before the House to-night. I find on reference to "Hansard," page 1430, that the Speaker of the day specifically refrained from giving any ruling on the question of whether a Bill imposing taxation was required to be introduced by Message or not. If we allow the decision of 1912 to go, there is no doubt it will be referred to in future as a precedent to be followed in matters of this kind. I find on that occasion that the Bill before the House was a Pearl-shell Bill, and the Minister for Works (Mr. Johnson) who was then in charge, raised the point himself in Committee as to whether a Message was required or not before he could move to impose a royalty upon pearl-shell. Mr. Wilson, who was then leader of the Opposition, said—

It seems to me that the levying of a royalty upon pearl-shell is in the nature of an impost or tax, and, therefore, any legislation in that direction must necessarily be accompanied by a Message from His Excellency.

All through the leader of the Opposition that day took precisely the same stand that my colleague has taken to-night. He went on to quote the Standing Orders, and the Speaker said that he had looked up the matter, and ruled that it was not necessary to have a Message before the Minister could move to impose a royalty on pearl-shell. The leader of the Opposition claimed that the imposition of a royalty was on all-fours with the imposition of a tax, and after the Speaker's ruling, he said—

Is it unnecessary to have a Message from the Governor for the imposition of any tax?

Mr. Speaker: It is necessary in some cases, but not in this particular instance. The Chairman of Committees gave the same authority the other evening.

The Speaker then quoted the Chairman of Committee's ruling on that occasion. After he had done so, the leader of the Opposition continued—

I am not going to dispute your ruling, Sir, but I listened carefully to the words you read from "May" and they conveyed to me the absolute necessity for His Excellency's Message. This certainly is a tax. The only doubt in Mr. Wilson's mind was as to whether this royalty was a tax or not, but he had no doubt that if it were a tax a Message would be required. He continued—

We insist that certain individuals who are engaged in a certain industry shall pay to the revenue of the State so much per ton of the pearl-shell they recover. That is a tax, an impost, and all taxation must be recommended first by a Message from His Excellency the Governor. I do not see how we can differentiate between this form of taxation and any other, and the words you have read out seemed to

my mind to endorse that opinion. I know that every form of taxation introduced into this Parliament during the past ten or 15 years has been accompanied by a Message from the Governor.

The Minister for Lands: No.

Hon. Frank Wilson: I cannot distinguish between this form of taxation and the other which necessitates His Excellency's recommendation.

Mr. Wilson was very clear in his mind that no form of taxation had been introduced into the House for 10 or 15 years unless accompanied by a Message. Then Mr. Scaddan said—

But you have done without a Message.

Hon. Frank Wilson: Two blacks do not make a white. If we made a mistake on that occasion, it does not follow that we should make a mistake on this occasion. Here is a distinct tax.

The present Minister for Works then interjected "But where is the objection to getting a Message?" My colleague might say that even though a Message is not absolutely necessary, where is the objection to getting a Message? The report goes on—

The Minister for Works: I have got a Message, but it is bad to establish precedents which are wrong.

Hon. Frank Wilson: How is this different from other taxation?

The Minister for Works: A royalty is not a tax in my opinion.

Hon. Frank Wilson: A distinction without a difference.

This is the point I wish to make. The Speaker did not rule on a question similar to that which is raised to-night. He said—

I find that I cannot rule other than I have done, because the fact that this royalty has been moved by a Minister of the Crown signifies that he is acting on behalf of the Crown.

Mr. Wilson went on to say—

I bow to your ruling, Sir, but I do not think that because a Minister introduces the taxation we must of necessity take it for granted that the Crown has consented. A Minister may introduce other forms of taxation which necessitate a Message.

The Speaker then read Sections 66 and 67 of the Constitution Act. After that, Mr. Wilson said—

Am I to understand that no measure for the purpose of imposing taxation requires His Excellency's Message?

Mr. Speaker: I am not discussing any other measure. I can only discuss that now under consideration. This matter has not arisen just now, for I have looked into it during the last week. I have taken a complete note of my reference book and after consulting all the authorities I find I have to take the stand I have already adopted. If other matters come forward, I shall take the same care and decide on them to the best of my judgment, supported by the soundest authorities. In this case I have to rule that the Governor's Message is not necessary.

You will see, Sir, that the ruling given by the Speaker on that occasion did very definitely lay down that he was giving no decision as to whether a Message was required or not before the introduction of taxation Bills generally. The ruling on that day was confined entirely to the point which was raised as to whether the proposal to impose a royalty on pearls made that a taxation Bill, or not, and about this there was considerable difference of opinion. Most definitely the Speaker gave no ruling that is applicable to the point raised to-night. Certainly I do know, as the Minister for Works has pointed out, that a reference to the introduction of other Bills in this House shows that similar Bills to this of the same title, and others, have been introduced to the House without a Message. It seems to me that the House has not clearly followed a definite course in this connection in years gone by, because I believe a search of the records would also show that on some occasions Messages had been brought to the House before Bills of this description have been introduced. That is borne out by the statement of Mr. Wilson, who had a long and extensive experience in the House, when he expressed the opinion that never had a taxation measure been introduced for ten or 15 years except when preceded by a Message. I do not think he was quite correct in that statement. So far as I can recollect we have had both courses adopted, and Bills have sometimes come down with a Message and sometimes without. Whichever course be adopted to-night we shall be following precedent.

Hon. T. Walker: I have been struck with the specious arguments of those who have endeavoured to support your ruling, Sir. The Premier has endeavoured to place a different interpretation on "May" for his purpose. He said that a Message is unnecessary, because the Crown is represented by a Minister, and that therefore Messages are abolished.

The Premier: Not at all.

Hon. T. Walker: What does the recommendation of the Crown mean? It does not mean a proposal by a Minister. It means what it says, a recommendation by the Crown, that is to say, by the voice of the Sovereign. The very chapter he was quoting from deals with the prerogatives and the powers of the Sovereign in our Legislature. The chapter from which I am reading in "May," chapter 22, is headed "Parliament, and Charges upon the people." Part 1 deals with the Crown and says—

The Sovereign being the executive power is charged with the management of all the revenue of the State, and with all payments for the public service. The Crown, therefore, acting with the advice of its responsible ministers, makes known to the Commons the pecuniary necessities of the Government; the Commons, in return, grant such aids or supplies as are requested to supply these demands.

We apply those aids after being informed by a recommendation from His Excellency. It is the Message which is a recommendation,

and yet the Premier presumes to say that he is the Crown in making a recommendation, when he does make a recommendation. It is ousting the Crown, and I would ask the Premier to read chapter 22 of "May" which deals with the functions of the Crown as participating in the Legislature.

The Premier: The Crown is part of our constitution.

Hon. T. Walker: I say so, and sometimes directly takes power in the form of legislation. Even the Premier will admit that there are some forms of legislation wherein we cannot dispense with a message from His Excellency.

The Premier: They all have to be approved by the Crown, and we pass them.

Hon. T. Walker: Let not the Premier evade the issue. There are some types of legislation which cannot be proceeded with without being accompanied by a message from the Crown. That is what is meant in "May" when he speaks of a recommendation from the Crown. It is not a proposal from a Minister. The recommendation is conveyed to the Assembly by the Minister, neither more nor less. "May" on page 559 says:—

In pursuance of the standing orders which regulate the financial procedure of the House, committees of the whole House are appointed to sanction by their resolutions grants of public money, or the imposition of a charge upon the people. The committee is appointed, either before the commencement or after the close of public business, by a motion that "this House will," on a future day, "resolve itself into a committee" to consider the matter specified in the motion, and at this stage no statement can be made. If satisfied that the motion will receive the Royal recommendation, the Speaker proposes the motion as question from the Chair and thereupon a Minister of the Crown, or a privy councillor, signifies to the Speaker, and to the House, that the motion is recommended by the Crown.

It is pure quibbling therefore to call a recommendation of the Crown merely a pronouncement by a Minister. In every instance the message is treated as synonymous with a recommendation. On page 558 "May" says:—

Under the practice thus established every motion which in any way creates a charge upon the public revenue must receive the recommendation of the Crown before it can be entertained by the House.

The House is not to be misled by the forced interpretation of "recommendation." If my interpretation of that word is correct the Premier approves of it. Then we have had a little lecture from the member for West Perth. The hon. member said it only required common sense to deal with the interpretation of the word "appropriation." This is all very fine for those who assume to be super-men, to inferentially belittle others, which seems to be the habit of some of those self-conceited, specially selected, dignitaries of the law in this Chamber. I am not going upon my own experience at all. No one in this Chamber would take me as an authority. I am relying

upon authorities which have become standard not only in the House of Commons but in this very Chamber. I rely upon "May" and our Standing Orders. The proceedings are laid down in the Standing Orders, and yet, forsooth, we are told that they are no part of the procedure of this House. They form part of our Constitution. The Governor is no mere ideal phantom. He is a substantial element in the creation of the laws of the land, and there are some laws which cannot be created or passed without him. I ask the House to remember what Mr. Frank Wilson said when he was in this Chamber. We cannot ignore that. The precedent Mr. Speaker quoted to justify his position is a precedent which when fully reported shows itself to be no precedent at all. It has no bearing on the point I raised. The Bill we are dealing with clearly provides for the imposition of a tax. The argument of both legal gentlemen opposite was that our Constitution Act itself governs us and nothing else. But if the hon. members will refer to Chapter 1 of our Standing Orders they will find there that in all cases not provided for in the Standing Orders resort shall be had to the rules, forms and practice of the House of Commons. If our Standing Orders are silent on the imposition of a tax what are we to do? We have to resort to the rules and practice of the House of Commons. In cases of that kind that course has always been followed. "May" is our guide, and therefore we cannot impose a burden on the people without a Message from the Governor, a recommendation from the Crown. If the Government can impose taxation without a Message from the Crown decidedly we oust the Crown from the position it occupies in the Constitution itself. That is more than I would like the House lightly to do. If we want to do away with all connection with the Crown and treat the Crown as a nullity, very well, but if we want to preserve the Constitution, then it is the duty of every hon. member to dissent from Mr. Speaker's ruling.

Question put and negatived.

Committee resumed.

[Mr. Stubbs took the Chair.]

No. 1.—New clause: Insert a new clause to stand as Clause (3) as follows:—
3. (1.) The Commissioner of Taxation shall, under the Colonial Treasurer, be charged with the administration of the principal Act and its amendments. (2.) The words "Commissioner of Taxation" are substituted for the words "Colonial Treasurer," "Attorney General," and "Under Treasurer" respectively, throughout the principal Act and its amendments, and in section nineteen of the principal Act the words "with the approval of the Minister" are omitted:

The TREASURER: The Council has sent us several amendments, most of which we can agree to without modification. In respect to this first amendment, in order to comply with the wishes of the Committee I rather drastically put my pen through a clause. The object of this was to do what the Committee de-

sired in respect of the Commissioner, namely, that he should be put under the Treasurer. The proposed new clause provides for this, and therefore I move—

"That the amendment be made."

Question put and passed; the Council's amendment made.

No. 2.—New clause: Insert new clause, to stand as Clause 5, as follows:—"5. Subsection (2) of Section fifty-nine of the principal Act is hereby amended by adding the following words: "But where any advance or loan is made in excess of the amount covered by that duty the security shall, for the purpose of stamp duty, be deemed to be a new and separate instrument, bearing date the day on which the advance or loan is made: Provided that if the holder of the security on or before the first day of June in each year makes and delivers to the Commissioner a declaration stating the highest amount further advanced on such security during the preceding twelve months, accompanied by the duty payable thereon, he shall be entitled to receive a certificate duly stamped in such form as the Commissioner may think fit, which said certificate shall be affixed to the security by the holder, and shall be evidence that duty on such amount has been paid, and the holder thereof shall not be liable for any penalty for not having paid duty on such further advances at the time when the same were respectively made":

The TREASURER: Let me give the reason for this amendment. Assuming that one went to his banker and got an advance of £1,000, a stamp would have to be affixed for the full value of £1,000. If, on the following day, the borrower found that he should have borrowed £1,200, and thereupon he went back for the increase of £200, it would be necessary to get an entirely new document, and on that new document stamp duty would have to be paid on the full value of £1,200. As Treasurer I am keen to get in money, but I really think that, the borrower having once paid stamp duty on the £1,000, we should require him to pay only on the balance of £200. That is what the proposed new clause provides. Therefore I move—

"That the amendment be made."

Hon. P. COLLIER: Is there any time limit to the transaction? That is to say, suppose I borrow £1,000 this year and increase the advance to £1,200 next year, would it be regarded as an entirely new transaction?

The Colonial Treasurer: You would still be required to pay duty on the increase only.

Hon. P. COLLIER: It is not restricted to one year?

The Colonial Treasurer: No.

Question put and passed; the Council's amendment made.

No. 3.—The Schedule: "Guarantee:—Under the heading 'Guarantee' insert the following under the sub-heading 'Exemption':—'Guarantees given by bankers to ship-owners or others on behalf of consignees of cargo'":

The COLONIAL TREASURER: This has arisen as the result of the war. The

Taxation Commissioner says that in ordinary times I would not get any revenue at all from this; but here is the position to-day: merchants at Home ship goods by any steamer that will deliver the goods here, but the documents are forwarded by mail steamer, which does not arrive here at all, or only very infrequently. In consequence the banker is called upon to give a guarantee for the man who really ought to be able to produce his bill of lading. I do not think it is fair to penalise people for an omission made through no fault of their own, and which is entirely due to the fact that the mails are held up. I move—

"That the amendment be made."

Question put and passed; the Council's amendment made.

No. 4—The Schedule—Receipt: Under the heading of "Receipt" insert the following at the end of exemption No. 6, "or given to the Perth, Fremantle, or Kalgoorlie Public Hospitals, or the Children's Hospital, Perth, for any money paid to any one of them as a donation or for a donation paid to or from any fund raised as the result of an appeal for patriotic or charitable purposes":

The COLONIAL TREASURER: When the Bill was going through I made two promises. One was that the receipts given to hospitals should be exempted. Unfortunately this provision has been made rather too specific, and I purpose asking the Committee to agree to the amendment with the modification that the words "the Perth, Fremantle, or Kalgoorlie" be struck out. The amendment will then apply to all public hospitals. I move—

"That the amendment be agreed to with the modification that the words 'the Perth, Fremantle or Kalgoorlie' be struck out."

Hon. P. COLLIER: The only doubt I have about the modification is as to the definition of the term "public hospital." I take it that will cover all subsidised hospitals. The Medical Department make a distinction between public hospitals and assisted hospitals. The amendment does not touch some equally deserving public institutions, such as the Home for the Blind, the Ministering Children's League and others. Still, the amendment is very wide. The exemptions claimed under this amendment will be very wide, and the Commissioner will waste a great deal in postage while endeavouring to solve whether certain purposes are or are not charitable. For my part I am not sure that donations to patriotic funds or charitable institutions should be exempted; the recipients would hardly grumble at paying 1d. or 2d. in taxation.

Hon. W. C. ANGWIN: I am surprised that the matter of subscriptions to public hospitals has been raised, because my experience is that hospitals, except the Children's Hospital, receive hardly any subscriptions whatever. If we can encourage people to subscribe to these institutions, let us do so. I hope, however, that the word "charitable" will be deleted; it is altogether too wide.

Hon. J. MITCHELL: Ladies who go round collecting should not be put to the trouble of

giving stamped receipts. The amount involved in the amendment is not worth bothering about.

The COLONIAL TREASURER: The Commissioner of Taxation assures me that the taxation received from charitable institutions is utterly nominal. When running the patriotic fund, which gives money to the wives and children of soldiers at the Front, we did not trouble about stamped receipts.

Amendment, on the Council's amendment, put and passed.

Mr. PICKERING: Would the word "purposes" in this amendment include "institutions"? If not, I purpose moving an amendment to insert "and institutions" after "purposes."

The COLONIAL TREASURER: The Attorney General informs me that "purposes" does include "institutions."

Question put and passed; the Council's amendment, as modified, made.

No. 5—Receipt: Insert the following to stand as No. (8):—"Receipt given for any money paid to or from a benefit fund formed for the relief of members of any registered trade union or industrial union":

The COLONIAL TREASURER: This amendment is in pursuance of a promise given to the member for Brownhill-Ivanhoe, that all union funds used for the relief of union members should be treated in the same way as the funds of friendly societies. I move—

"That the amendment be made."

Question put and passed; the Council's amendment made.

Resolutions reported, the report adopted, and a Message accordingly returned to the Council.

BILL—DIVIDEND DUTIES ACT AMENDMENT.

Council's Amendments.

Schedule of six amendments requested by the Council now considered.

In Committee.

Mr. Stubbs in the Chair; the Colonial Treasurer in charge of the Bill.

No. 1—Clause 2, add at the end of this clause the following:—"Except in respect of interest on its investments":

The COLONIAL TREASURER: Life assurance companies are free in respect of their premiums under the Dividend Duties Act. It is now proposed, however, that they shall pay dividend duty on the interest they receive from their investments. I move—

"That the amendment be made."

Question put and passed; the Council's amendment made.

No. 2—Clause 6, add a subclause as follows:—" (7.) By adding to Subsection (3) the following words: 'or Section 8a'":

The COLONIAL TREASURER: The purpose of this amendment is to enable us to insert a clause putting life assurance companies in their proper position as companies to come under the Dividend Duties Act. I move—

"That the amendment be made."

Question put and passed; the Council's amendment made.

No. 3—Insert a new clause to stand as Clause 9, as follows:—"Life Assurance Companies. 9. A section is hereby inserted in the principal Act, and shall have effect, as follows:—8a. (1) Every life assurance company shall (a) on or before the first day of September in every year, or within three months after each of its annual balancing days, forward to the Commissioner of Taxation a return in the prescribed form stating the amount of interest on its investments received by the company during the year ending the thirtieth day of June next preceding or ending on such other balancing day, verified by statutory declaration; and (b) pay to the Commissioner of Taxation, as from the first day of July, One thousand nine hundred and seventeen, as duty a sum equal to one shilling and threepence for every twenty shillings of interest so received, subject to such deductions as are permitted in calculating the profits of a company under this Act. (2.) Notwithstanding paragraph (2) of Section 19 of the Land and Income Tax Assessment Act, 1907, a life assurance company shall be exempt from income tax under that Act, in respect of interest on investments received on and after the 1st day of July, 1917";

The COLONIAL TREASURER: This is a new clause inserted by the Council bringing life assurance companies under the Dividend Duties Act. I move—

"That the amendment be made."

Hon. W. C. ANGWIN: Does that mean that life assurance companies will pay dividend duties?

The COLONIAL TREASURER: On their investments.

Question put and passed; the Council's amendment made.

No. 4.—Insert a new clause to stand as Clause 10 as follows:—"10. Section five of 'The Dividend Duties Act Amendment Act, 1914,' is hereby amended by inserting after the words 'section eight' the words 'or section eight a'";

The COLONIAL TREASURER: This is a consequential amendment, and I move—

"That the amendment be made."

The House during my absence, much to my regret, carried a motion that we should have what is called retrospective legislation, and seeing that the House passed that with regard to the dividend duties, I do not think it fair and right that one class of the community should be taxed under what was called super taxation and another should be exempt. It is to give effect to that decision that the amendment has been made. It will make things uniform. In the few words that I am speaking it means a loss of £15,000 to the State.

Question put and passed; the Council's amendment made.

No. 5.—Clause 11, Subclause (1): Strike out "January" and insert "July";

No. 6.—Clause 11, Subclause (2): Strike out "31st day of December" and insert "30th day of June," and strike out "January" and insert "July";

On motions by the Colonial Treasurer, the Council's amendments made.

[The Speaker resumed the Chair.]

Resolutions reported, the report adopted, and a Message accordingly returned to the Council.

ADJOURNMENT—SPECIAL.

The PREMIER (Hon. H. B. Lefroy—Moore) [10.4]: I move—

"That the House at its rising adjourn until 4.30 p.m., Thursday."

Hon. P. COLLIER (Boulder) [10.5]: I am sorry the Premier is not in a position to announce when he is likely to close the session. I should prefer to go on for the rest of the night if work were forthcoming from another place, so that we should be able to bring the session to a close to-morrow. I think every member feels somewhat disappointed. We are continuing to drag along, and if there is no work from another place there will be no work for us to do to-morrow, because another place is not likely to sit much longer to-night. Unless another place sits late to-night we shall have no work to do, and it might be advisable to adjourn, say, until Tuesday of next week; let the Council get through their work so that we shall have an opportunity then of going straight ahead and clearing up the business. There are two taxation measures and the Wheat Marketing Bill to be dealt with by another place, also the Vermin Bill, which has not been touched. There does not appear to be much chance of finishing to-morrow, and for the convenience of members, I think the Premier might adjourn until Tuesday. Unless the House sits on Friday we shall not finish this week.

Mr. GRIFFITHS (York) [10.7]: I hear that the Vermin Bill is likely to be one of the "slaughtered innocents"—that it is not to be dealt with by another place. I hope some steps will be taken so that the Bill will go through this session.

Mr. LAMBERT (Coolgardie) [10.8]: I should like the Premier to give some idea as to concluding the Orders of the Day standing in the name of private members on the Notice Paper. Are they to be dealt with or are they to be struck off?

Hon. W. C. ANGWIN (North-East Fremantle) [10.9]: I hope the Government will see fit to adjourn until Tuesday. There will be no work to-morrow, there cannot possibly be, and the Country party want the Vermin Bill passed, so that we shall have to come back on Tuesday. It will surely suit Ministers as they will be able to do some work in their offices.

The PREMIER (Hon. H. B. Lefroy—Moore—in reply) [10.10]: I think we must meet to-morrow afternoon. There is no reason to suppose that work will not be coming forward from another place. I believe the taxation Bills are nearly completed, and we have every reason to expect that if the work is gone on with there will be work for us to-morrow. As far as the Wheat Marketing Bill is concerned, I understand that measure is now before a select committee, and we do not know what may be the end of the Bill. The

only measure that is likely to take any time is the Vermin Bill, and we do not know what may be the fate of that. We can only await events, and we can only await them in this House. We want to bring the session to a close, and we might sit on Friday to do so.

Mr. Lambert: Can you finish this week?

The PREMIER: I see no reason why we should not. If we do not finish to-morrow we can sit on Friday to finish our labours. I hope members will agree to meet again to-morrow at 4.30 p.m.

Question put and passed.

House adjourned at 10.13 p.m.

Legislative Council,

Thursday, 30th May, 1918.

The PRESIDENT took the Chair at 3 p.m., and read prayers.

BILL—WHEAT MARKETING.

Select Committee's Report.

Hon. C. F. BAXTER (Honorary Minister—East) [3.5]: I move—

“That the report from Committee of the whole be adopted.”

Hon. J. F. ALLEN (West) [3.6]: I move an amendment—

“That the following be added to the motion: ‘and that the report of the select committee on this Bill be also adopted by this House.’”

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [3.7]: I have no objection to the course proposed by Mr. Allen, though I do not know that it is necessary, since the report recommends that the Bill be passed subject to the deletion of certain clauses and on the understanding that the Government will do certain things. The Government have accepted that arrangement.

Hon. W. Kingsmill: But there is no record of it on the “Minutes of Proceedings.”

The COLONIAL SECRETARY: The representatives of the Government could hardly have sat quietly by and allowed the House to pass the Bill under a misapprehension.

Hon. W. Kingsmill: The amendment is absolutely necessary in order that the arrangement may be on the records of Parliament.

Hon. C. F. BAXTER (Honorary Minister—East—in reply) [3.8]: I accept the amendment, and am pleased that it has been brought forward. A Royal Commission will clear away a great many misunderstandings, and at the same time refute the numerous misstatements which have been circulated among the public.

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

Third Reading.

Bill read a third time, and transmitted to the Legislative Assembly.

MOTION—BOTANIST AND VEGETABLE PATHOLOGIST.

Debate resumed from the 22nd May on the motion by the Hon. H. Stewart, “That, in the opinion of the House, the changes that have taken place since the 25th October, 1917, in connection with the office of Botanist and Vegetable Pathologist, and the transference of the office of Botanist and Vegetable Pathologist from the Agricultural Department to the Mines Department, are not in the best interests of the agricultural industry.”

Hon. J. DUFFELL (Metropolitan-Suburban) [3.10]: I congratulate Mr. Stewart on the very lucid speech he made in launching his motion. With much that he said I am fully in accord, and if it was really necessary that a testimonial should be given to Dr. Stoward, then Mr. Stewart's observations would represent a very fitting tribute to Dr. Stoward for the very valuable services that gentleman has rendered to this State. At the same time, I consider that Mr. Stewart's object in moving the motion has already been achieved. Whilst it is most regrettable that the stringency of the finances caused the Government, in their wisdom, to see fit to dispense with the services of various valuable officers, I contend we should support Ministers in the action that is taken in the interests of the country generally. I secured the adjournment of the debate for the purpose of allowing other members an opportunity of speaking to the motion. My own suggestion to Mr. Stewart would be that he should withdraw the motion. I am sure no good would result from pushing it, more especially as Dr. Stoward has secured a better appointment than that which he held in this State. I believe he is now in the Commonwealth service, where his scientific abilities will find a wider scope than here.

Hon. W. KINGSMILL (Metropolitan) [3.13]: I hope, on the other hand, that Mr. Stewart will not withdraw his motion. If ever there was a motion that required carrying, it is this one. Whether good can or cannot result from its being carried, I hope it will have some deterrent effect on this Government and future Governments. The underlying principle of the motion is that the Government of Western Australia should recognise to a decent extent—I do not ask them to recognise to the full extent, because I know that is vain—the possibilities of applied science in the Government departments. Mr. Stewart and I, soon after the hon. member was returned, soon after he made his first speech in this House, were discussing the question of applied science and the part science was going to play in the history of nations and, I hope, in the history of Australia. It is a peculiar thing that both Mr. Stewart and myself had noticed in the London cablegrams the remark of a leading English scientist to the effect that the