MR. JOHNSON: True; only two blocks for the individual. But with the assistance of his wife and family, it might apply to a dozen blocks. Since the last division, several members had admitted they were under a wrong impression. The proviso was dangerous.

Amendment (Mr. Johnson's) put and negatived.

Amendment (the Treasurer's to insert the new subclauses) passed; the clause as amended agreed to.

Progress reported, and leave given to sit again.

ADJOURNMENT.

The House adjourned at 11·35 o'clock, until the next Tuesday.

Legislative Assembly,

Tuesday, 4th September, 1906.

THE SPEAKER took the Chair at 4·30 o'clock p.m.

PRAYERS.

QUESTION—TIMBER EMPLOYEES' UNION.

AS TO REGISTRATION.

MR. TROY asked the Premier: 1, Is it a fact that an application on behalf of the Metropolitan Timber Merchant Employees' Union, lodged about six months ago to register an amendment of rules, has not been given effect to? 2, Is it the intention to register the amendment of rules referred to? 3, If not, why not? And why has the Registrar failed to notify the union of such refusal at an earlier date?

THE PREMIER replied: 1, Application was lodged on the 12th June last, and is still under consideration. 2, Objection has been taken by the Registrar of Friendly Societies to the inclusion of certain rules, which objection has not yet been determined. 3, Answered by No. 2.

PAPERS PRESENTED.

By the MINISTER FOR WORKS: Goldfields Water Supply By-laws, Amendment to Schedule No. 1.

BILL—GOVERNMENT SAVINGS BANK.

COUNCIL'S AMENDMENTS.

Schedule of eight amendments made by the Legislative Council now considered in Committee; MR. ILLINGWORTH in the Chair, the TREASURER in charge of the Bill.

No. 1—Clause 3, definition of local authority, strike out the whole, and insert the words "includes the council of a municipality, the board of a roads district, and any public body constituted by or under the authority of any statute":

THE TREASURER moved that the amendment be agreed to. It merely widened the definition of local authority so as to include all statutory bodies, even those not actually incorporated, such as trustees of parks and reserves and boards of cemeteries and hospitals.

Question passed.

LIMIT OF AMOUNT DEPOSITED.

No. 2—Clause 10, strike out Subclause 1, and insert the words: "The manager, his officers and agents, shall not receive from any depositor any sum which makes the total amount to which the depositor is entitled for the time being exceed one thousand pounds":

THE TREASURER moved that the amendment be agreed to. The clause passed by this House provided that no deposit should be received in any one year which would make the total amount at the credit of a depositor exceed one thousand pounds. The wording was objected to as ambiguous, for it might be taken to mean that the aggregate amount receivable from a depositor was unlimited.

MR. BATH opposed the motion. When the Bill was before the Committee

of this House, members did not desire any limit to the total amount of an account.

THE TREASURER: The hon. member was surely in error. The whole debate here hinged on the period during which sums aggregating one thousand pounds might be deposited. Personally he (the Treasurer) did not care whether there was a maximum; but a maximum of a thousand pounds was certainly intended by this Committee.

MR. JOHNSON: Evidently the object of the Committee when considering the Bill was to allow any depositor to deposit one thousand pounds in each year; not that the maximum amount at credit should be a thousand pounds. The object of the amendment made in Committee was to meet the needs of organisations like friendly societies, who would, by a thousand-pounds maximum, be prevented from using the bank. The amendment he had moved previously would be found in *Hansard* No. 6, page 585. As the Council's amendment absolutely limited the deposit to £1,000 he would oppose it.

THE TREASURER: The Government, in accepting the amendment moved by the member for Guildford, had not accepted it with the intention that there should be no limit to the amount that could be deposited. In all the States but one it was thought advisable to fix a limit, and that was the intention of members when the clause had been amended by the Assembly.

MR. BATH: It would be foolish to agree to the Council's amendment, because a considerable sum of money would be needed by the Minister controlling the Agricultural Bank when the amendments to the Agricultural Bank Act were passed. The Agricultural Bank obtained its money from the Savings Bank at a fair rate of interest, and if a limitatation was placed on the total amount that could be deposited by one depositor in the Savings Bank, it must have an effect on the operations of the Agricultural Bank and on other State departments that borrowed money from the Savings Bank. There was no advantage in limiting the sum to £1,000.

THE PREMIER: One disadvantage of allowing unlimited deposits would be that possibly a large amount would be put in the bank on current account and withdrawn after a short interval. The Government would not have the opportunity of investing money so deposited, and there would be a loss in the shape of the interest paid on the deposit.

THE TREASURER: We would not be expected to pay interest on a deposit of £20,000, but it would be awkward if that deposit were withdrawn in a lump sum, It would be still more awkward if 20 deposits of £20,000 were withdrawn in one lump. What reserve would the Treasurer need? The present reserve of one-eighth was quite sufficient under the safeguard of limiting deposits to £1,000; but the Treasurer would need a larger reserve to satisfy withdrawals such as the instance mentioned. The same rate of interest could not be paid. We would need to reduce the interest considerably or to reduce the maximum amount on which interest was paid. Members must recognise that the bank was primarily established to assist the small depositor, to encourage thrift, and to help children to put their savings in the bank, and to give them a little return in the shape of interest. If the Council's amendment were not agreed to and if the Council agreed to accept the clause that passed the Assembly, the bank would be thrown open to large depositors.

MR. WALKER: Would they be likely to use the bank?

THE TREASURER: In any case the difficulty was easily got over. Organisations could open two accounts.

MR. JOHNSON: The Treasurer was not justified in arguing on the basis of a £20,000 deposit. The clause as amended by the Assembly had provided for a limit of deposits to £1,000 in each year.

THE TREASUERR: Exactly; and the depositor could put in £5,000 in five years and withdraw it in one sum.

MR. JOHNSON: It would take some time to build that sum up. The bank should extend its operations, and organisations should be allowed to deposit at the Savings Bank. At present they could not do so, because, if the limit was reached they had to open up a banking account at a private bank; and as they would not keep two banking accounts they had to depend on the private banks. Limiting the deposit to £1,000 a year

would be sufficient protection to the Savings Bank and would allow the organisations to use the bank in the future.

MR. LYNCH: This was a matter on which the Ministry could afford to take a firm stand, though of course the Assembly could feel thankful that the Council on this occasion looked upon this measure much more liberally and less jealously than they looked upon an almost similar measure previously sent up to them. It was suggested that there might be a rush of withdrawals by large depositors; but in New South Wales, when the fiercest rush in the financial history of Australia took place, Sir George Dibbs came forward and by a simple edict made people take notes of currency. Any Treasurer here could do the same as Sir George Dibbs. We must remember that the State was in need of cheap money for the prosecution of public works. The Treasurer was never tired of telling of the solid condition of the State; but so long as we were paying high rates of interest to carry out public works we should avail ourselves of every means to get cheap money. Here was an opportunity the Treasurer should avail himself of to force the hands of the Council, who apparently were having more regard for the interests of the financial institutions than for the interests of the State in getting cheap money. To get cheap money there was every justification for keen criticism coming into play. The Treasurer should take a strong stand in this instance.

THE ATTORNEY GENERAL: The argument submitted by the member for Guildford, as regards friendly societies and organisations, was deserving of consideration; but surely the hon. member would not extend the principle to individuals. If so, the hon. member must forget the object for which the bank was primarily established, that the small depositor should save money and place it in the bank, where he obtained a rate of interest which was really far and away above the market rate in any place in the world. There was no place where 3 per cent. was paid on current accounts. The highest rate of interest paid by banking institutions at home, even those established on the mutual principle, was only 1½ per cent. Were persons of large means enabled to use the Savings Bank without limit in the amount of deposits, the advantages at present enjoyed by persons of small means would be swamped by people for whose benefit it was not intended that the bank should be maintained. Persons of large means would be more likely to use this bank if permitted to lodge a maximum of £1,000 annually, because they could then obtain interest at the rate of 3 per cent., practically the same rate as for British Consols and other Imperial stock, and would have a right of withdrawal by cheque or on demand at any moment. The suggestion of the member for Guildford that friendly societies and labour organisations should be enabled to deposit up to £1,000 annually was worthy of consideration; but the Treasurer had dealt only with the question of allowing that right to individuals, not to societies or combinations, and probably had not considered the question from that point of view. The Government Savings Bank should be an institution for the inducement of thrift among persons of small means. Once its functions extended beyond that, its primary object became defeated.

MR. LYNCH: Would not the granting of facilities to large depositors benefit the small depositors also?

THE ATTORNEY GENERAL: It would not, for the reason that it was often difficult for the Savings Bank to earn the 3 per cent. which it was bound to pay to its depositors, as the deposits could be withdrawn on demand. The practice of most private Australasian banks was to pay 4 per cent. only on deposits for long periods; and such deposits could be withdrawn only by giving six months' notice. If persons of large means were permitted to use this bank in the ordinary way and to retain the right of withdrawal on demand, a position might easily be reached in which the bank could not carry on. With the small depositor there was no such danger, as he used the bank only as a savings bank, and not as a bank of accommodation.

MR. BATH: Protection was afforded the bank under Clause 16, whereby a reduction in the rate of interest could be arranged on deposits above a certain amount; no interest need be paid on deposits above a prescribed amount. To permit deposits to a maximum of £1,000

each year, as suggested, would not militate against the advantages which the bank offered to small depositors, as they would still be able to make their deposits and secure the amount of interest provided by regulation. The bank could also require three months' notice of withdrawal of large sums. The Agricultural Bank and other public institutions which were assisted from funds in the Savings Bank would be benefited in having a larger total of money available.

MR. JOHNSON: The position of friendly societies and labour organisations under the proposed limitation should be considered. While admitting that the object of establishing the bank was to assist small depositors, yet the bank had been found useful to the Government in the discharge of its financial obligations, particularly to the Agricultural Bank, the Metropolitan Water Supply, the Goldfields Water Supply, and other Government trading concerns. It was not his desire that individuals should be permitted to deposit the maximum amount every year, but merely that this privilege should be extended to friendly societies and labour organisations.

THE TREASURER: Friendly societies and labour organisations could be permitted to deposit an unlimited amount in the bank; and that might be secured by adding the following words to the clause now drafted to meet the hon. member's reasonable suggestion:—

Provided that any registered friendly society or trades union, or any branch thereof, may in any one year deposit in the Government Savings Bank sums not exceeding in the aggregate £1,000.

MR. WALKER failed to see why the Government was not prepared to seize this opportunity for getting in the thin edge of the wedge towards the establishment of a State Bank. The funds of the Savings Bank had been found useful more than once by the Government when in a difficulty consequent on a falling Treasury. The argument that the bank might be swamped by large depositors was not tenable, for as to one person withdrawing £10,000 on demand, that depositor must have been depositing at the rate of £1,000 a year for ten years, and during all that period the Government would have had the use of his money. The difficulty as to interest on large deposits could be overcome by a regulation providing that such interest should be payable only on amounts deposited for long and specified periods, as was done by ordinary banks. Would it not be far preferable to encourage citizens to lend money to the Government instead of the Government having to go to England to float a loan? The Government obtained money for the Agricultural Bank and the goldfields water supply, and for water supplies generally, from the Savings Bank, and these institutions would have to pay more for their money if they obtained it otherwise than from the Government Savings Bank. Here was an opportunity for the Government to extend its financial operations. It was to be hoped the day would come when the Government would do all its banking, and be independent of outside aid. The Government could afford to have larger reserves if it had larger deposits. As the Government had to borrow money, why not borrow it from the people of the State? The increment would go to the people for the development of our own country. If the Government started banking, why not do the work that ordinary banking institutions carried on? When the Government admitted the principle of banking, why not go the whole hog?

Question passed, the Council's amendment agreed to.

CHILDREN'S SAVINGS.

No. 3—Insert at the commencement of Subclause (2) the words "as provided by regulations":

THE TREASURER moved that the amendment be agreed to. This amendment had been made by the Council to enable school children to put their pennies in the Savings Bank. A conference of savings bank managers was held in Sydney the other day, and this suggestion was there unanimously adopted.

MR. JOHNSON: The Government might utilise the school-teachers' services for this purpose.

THE TREASURER: That was the intention.

MR. JOHNSON: In the New Zealand schools a child could take a penny to the school-teacher, who would place a stamp

on a card which the child held, and when the value of the stamps amounted to 1s. that sum was banked for the child.

Question put and passed.

No. 4 (consequential)—agreed to.

CHILDREN AND MINORS.

No. 5—Clause 12, Subclause (2), strike out the word "or" in line 3, and insert "and" in lieu.

THE TREASURER moved—

That the amendment be not agreed to.

This amendment altered the meaning of the clause. It was what might be termed a child's clause, for it was provided that minors could open accounts and operate on them. It also provided that a relative or other person might open an account in the name of a child, and the person opening the account would be able to withdraw the moneys until the child reached the age of 12 years, after which the child could operate on the account. But if a child opened an account, that child would operate on the account from the beginning. The amendment meant that if a deposit was made by a relative or other person in the name of a minor, money could not be withdrawn except by those making the deposit until the child reached the age of 21 years, and even if a child made a deposit that child would not be able to operate on the account until the child reached 12 years of age. This destroyed the utility of the institution as a savings bank for children. Take the case of a child depositing money in the bank, and the parents were leaving the State; the child would be unable to obtain the money. The amendment was evidently made more in error than anything else.

Question passed; the Council's amendment not agreed to.

No. 6—Clause 15, after the word "society," in line 1, insert "co-operative society"—agreed to.

No. 7—Clause 35, strike out the words "but minors' accounts shall be excepted," in lines 2 and 3, and insert "except in the case of minors under the age of 12 years."

THE TREASURER moved that the amendment be agreed to. This limited the charge of 1s. for keeping accounts of children under 12 years of age.

MR. BATH: Was not the age of 12 rather low? Better make it 16. He moved an amendment—

That the amendment of the Legislative Council be amended by striking out "12," and inserting "16" in lieu.

Children went to school until 16 years of age, and we had been talking about encouraging school children to open accounts and to place their money in the bank, but here was a bar to that being done.

THE TREASURER: This charge could only be made if interest had been added sufficient to cover the charge.

Amendment (Mr. Bath's) negatived; the Council's amendment passed.

No. 8—New Clause to stand as No. 36 (Deposits may be attached by garnishee order):

THE TREASURER moved that the amendment be agreed to. This new clause was inserted to enable a judgment creditor to take moneys standing to the credit of a judgment debtor by garnishee proceeding the same as applied to ordinary banks and individuals. At the present time a judgment creditor could obtain money to the credit of a person in the Savings bank by applying to the court to have a receiver appointed, but this was an expensive proceeding. It was deemed only fair and reasonable that we should not permit the Government Savings Bank to be the means of permitting any person to avoid the payment of his just debts. If one had money there and a judgment were obtained against him, a creditor should have the right to attach that money by garnishee. Why should we protect a person against those proceedings if he had money lying to his credit in the Savings Bank, any more than if he had money to his credit in any other institution? The Committee might well agree to the new clause.

MR. BATH: Whilst we should not allow anyone to place considerable sums in the Savings Bank to dodge his creditors, we must recognise that amounts were deposited in that bank by people in poor circumstances, often as a last resort in cases of illness or other trouble. Such persons would suffer almost any hardship before allowing a sum of that kind to be broken into by withdrawals. We gave protection in regard to furni-

ture or personal property which a man might own, so that it should not be subject to a process of court; and whilst perhaps agreeing as to the wisdom of not allowing this in the case of larger sums in the Savings Bank, we ought to have a minimum. He moved an amendment—

That after the word "depositor," in line 1 of the proposed new clause, the words "over the amount of fifty pounds" be inserted.

MR. BARNETT: If the mover would make it £25, he would support it as a reasonable amount.

MR. HOLMAN: The prospects in Western Australia were not so bright that we should allow any creditor the right to garnishee a few pounds which a poor person might have saved up. As a rule, people who garnisheed for small debts were not a desirable class. The amendment moved by the Leader of the Opposition was too generous.

MR. BATH: Many working people insured their lives. Miners on the Eastern Goldfields insured their lives for a certain sum in order that their wives and children should have something if anything happened to them, and many placed a certain sum in the Savings Bank in order to ensure the payment of premiums for a certain number of years. Employment was very uncertain in gold-mining districts, and many persons after paying into an insurance company for a considerable time lost their policy through not being able to pay regularly. Such persons did not try to evade their debts.

THE ATTORNEY GENERAL: Some people took advantage every time of the credibility of their fellow-men, particularly of storekeepers and traders of that class, and when they had enough of that district they quitted it, leaving a memory behind. Were we to protect the man who had given credit, and given it perhaps on very slender grounds, or the man who obtained credit and had no right to get it at all? The amendment would not appreciably protect the honourable man, because the honourable man would never take advantage of it. It was well known that after a certain number of years a creditor could not demand payment, if a debtor chose to plead the Statute of Limitations. That statute was instituted to prevent claims being made after a long lapse of years; but an honourable man would not plead it in bar of a just claim for debt.

MR. BATH: An honourable man strove to meet his obligations; but a creditor might be pushing him to an extreme for attaching an amount to the debtor's credit in the Savings Bank, though placed there for a specific purpose. In the amendment he would substitute £30 for £50.

Amendment (altered by leave to £30) put, and a division taken with the following result:—

Ayes	...	...	...	16
Noes	...	...	...	26
Majority against			...	10

AYES.	NOES.
Mr. Barnett	Mr. Brebber
Mr. Bath	Mr. Brown
Mr. Bolton	Mr. Carson
Mr. Collier	Mr. Davies
Mr. Heitmann	Mr. Eddy
Mr. Holman	Mr. Ewing
Mr. Horan	Mr. Foulkes
Mr. Hudson	Mr. Gordon
Mr. Johnson	Mr. Gregory
Mr. Lynch	Mr. Gull
Mr. Scaddan	Mr. Hayward
Mr. Taylor	Mr. Hicks
Mr. Underwood	Mr. Keenan
Mr. Walker	Mr. Layman
Mr. Ware	Mr. McLarty
Mr. Troy (*Teller*).	Mr. Male
	Mr. Mitchell
	Mr. Monger
	Mr. N. J. Moore
	Mr. S. F. Moore
	Mr. Piesse
	Mr. Price
	Mr. Smith
	Mr. Veryard
	Mr. F. Wilson
	Mr. Hardwick (*Teller*).

Amendment (Mr. Bath's) thus negatived; the Council's amendment passed.

Resolutions reported; the report adopted.

Reasons for not agreeing to amendment No. 5 were drawn up and adopted; a message accordingly returned to the Council.

BILL—LAND TAX ASSESSMENT.

IN COMMITTEE.

Resumed from the 30th August; Mr. ILLINGWORTH in the Chair, the TREASURER in charge of the Bill.

CHURCH LANDS AND LEASES.

Clause 11—Exemption:

MR. FOULKES: By paragraph (*c*) of Subclause 1, all lands belonging to any religious body and occupied for the purposes of such body were exempt. Some churches owned endowment lands

which they did not use, intending, perhaps, to enlarge the church or to build a school. Recently a roads board sued a religious body for rates, and the Local Court magistrate decided that as the land in question was not used by the defendants, they were liable to be rated. If that decision held good, such lands would be liable to assessment under the Bill. These lands should be exempt. Would the Attorney General explain the provision?

THE ATTORNEY GENERAL: The paragraph clearly provided that all such lands were exempt; but Clause 12 provided that none but the owner of the lands should be exempt. The exemption would not extend to any other person in occupation. As soon as the religious body ceased to use for its own purpose only the land given to it for a specific purpose by the State, the land became liable to taxation. This provision was identical with the law enacted by other statutes governing the raising of rates and taxes. He did not feel called on to give a definite opinion on the roads board case instanced by the member. One member said that the magistrate's decision had been upheld, and another that it had been upset. There was no need to try to solve the conundrum.

MR. FOULKES did not wish to exempt any lands out of which a religious body made a profit. But certain church endowment lands were neither let nor used, but held for future use. So long as no profit was derived from them, such lands should be exempt. At a later stage he would move an amendment to secure their exemption.

MR. WALKER: Should not the unused lands be taxed?

MR. FOULKES: Not if held for future use by the church. They should be taxed if held for sale. He desired to exempt land held by a church for the purposes of the church.

MR. LYNCH: When the Bill was discussed in Committee at the previous sitting, members were waiting to discuss the portion dealing with land in municipal boundaries. He was now surprised to find by the Notice Paper that we started to-day at Clause 11, and to learn that the Committee had made greater progress than was really the case. Members had not finished discussing Clause 10.

THE CHAIRMAN: The clause had been put and passed as amended.

MR. LYNCH distinctly remembered that the Committee had not reached the discussion in regard to £50 a foot frontage.

THE TREASURER: There was a division on it.

MR. LYNCH: The matter had not been discussed.

THE CHAIRMAN: The question could be raised on recommittal.

MR. H. BROWN: It was held by a Local Court magistrate that land used for church purposes could not be assessed for roads board taxation. A reverend gentleman held thousands of acres within two miles of Perth, and said that it was used for church purposes, that when he chose to cut it up and sell it he said the revenue derived from the sale was used for the church. Under this measure the land held by this reverend gentleman would also be exempt, though hundreds of acres of it were lying absolutely in their virgin state. The question was whether the House intended to exempt these hundreds of acres or not.

MINING AND TIMBER EXEMPTIONS.

MR. BATH moved an amendment—

That paragraph (*d*) of Subclause 1 be struck out.

This paragraph dealt with the mining tenements within the meaning of the Mines Act, 1904 and timber leases granted under the Land Act 1898. Mining leases and timber leases should be on the same footing as the pastoral, residential, or special leases which are liable for taxation. No differentiation should be made. Any unearned increment over the rent paid to the State should be taxed in the case of mining tenements or timber leases just as in the case of other leases. They should only be exempt from taxation to the capitalised value of the rent they paid; but if they were enjoying any unimproved value over and above that they should be levied on for taxation with the other leases.

THE TREASURER: We were endeavouring to tax the unearned increment on land, or the increased value accruing to land through the influx of population. No one could say that the value of a gold-mining lease was increased by the influx of population. Mining

leases paid the full rental value for the surface of the ground. In many instances they paid far more than the full rental value for the surface. As we were taxing the unearned increment on the land, if we did not exempt these mining leases we would be departing from the principle adopted in the Bill. In the case of timber leases the lessees were only permitted to take the timber off the land and to export it, and the value of the timber was not increased by the proximity of population. The State always retained a right to the surface of timber leases, and to allow the agriculturists to settle on them. It would be absurd for us to strike out the paragraph and endeavour to inflict a tax on such leases. There was no justice in it.

MR. A. J. WILSON: Would the Treasurer be prepared to amend the clause, to provide for the taxation of timber leases not utilised? There was now considerable difficulty in getting suitable timber areas, but much timbered land was held in a condition of disuse. The companies paid rent in order to exclude others from the opportunity of utilising the timber on certain areas.

THE TREASURER: It would be hardly proper to place in this Bill an amendment to meet the case. There were certain powers under the Land Act with regard to timber leases held without being worked, and we should insist on the fulfilment of the conditions on which the leases were held. The object of the Premier was to see that the conditions were enforced, but it would be rather dangerous to adopt in this Bill an amendment such as suggested. It would be practically saying that we were taxing these people because they did not fulfil the conditions under the Land Act. We would be saying to these people, "You have not carried out your conditions, but pay this tax and it will be all right." We would establish a right for the people to avoid the performance of the conditions. There was a Land Bill before the House in which the idea of the hon. member could be embodied, but it would not be wise to do it in a Land Tax Assessment Bill.

THE PREMIER: There were certain forms of tenure under which areas were held, that would be liable to taxation under his Bill. On concessions held for a certain number of years, such as the Jarrahdale and Canning concessions, the leasehold interest would be liable to taxation. He did not think we could make the principle apply to the ordinary form of tenure.

MR. WALKER: Would not this paragraph exempt those concessions?

THE PREMIER: The Attorney General had assured him that it would not.

MR. A. J. WILSON: This paragraph merely applied to leases under the 1898 Act and not those granted prior to that year?

THE PREMIER: That was correct.

MR. A. J. WILSON: In the case of the Jarrahdale concession, applications had been made to use the land for agricultural and horticultural settlement, but the company had the right to exclude settlers and to prevent the progress of settlement. They should not be able to hold these areas against the welfare of the community at large. We must either take away the right they enjoyed, which we could not very well do without compensating them, or we must penalise them in the ordinary way by the imposition of a land tax. The difficulty would then be overcome so far as the Jarrahdale concession was concerned; but the same position obtained to a large extent also with the timber licenses granted under the Land Act Amendment Act 1898. It frequently happened that persons applied for permission to settle upon cut-out areas, and the concessionaires held, and exercised, the right to prevent those people from settling on those lands, and by that means retarded agricultural settlement. If the companies had the right to prevent settlement in this way, then it was equitable that they should be compelled to contribute towards the consolidated revenue for that privilege. If the Minister would give an assurance that the position would be covered in the amending Land Bill, then his objection would be removed.

MR. GULL: No loophole should be left in the Bill whereby a company could continue to block settlement. Companies were now doing so under the terms of a concession obtained years ago which gave them powers which they should never have obtained, and the sooner that matter was given consideration to with a

view to limiting the power the better, or the companies should be penalised in some way.

MR. TROY did not agree with the Leader of the Opposition on the question of taxing mining leases, as he failed to see where there could be any unearned increment attaching to a mining lease, except a lease close to a railway. Even a lease so situated might not be so valuable as another lease 200 miles farther out. Mining leases were granted by the Crown at a rental of £1, and that sum represented the value of the lease when first taken up; no higher value could be placed on the lease until it had been developed. The position of timber and pastoral leases was entirely different. Timber leases secured to the lessees the right to cut timber which could be exported, and pastoral lessees were entitled to the grass on the leases. The more timber taken off a timber lease the less valuable it became for the purpose for which it was granted; but with a pastoral lease the more it was utilised the more valuable it became. Since it had been decided to tax pastoral leases, there was justification for taxing timber leases. The timber inquiry board had recommended the construction of lines of railway to open up timber country. If that were done certain timber lands near the railways would have a greater unearned increment than other land. The timber leases at Kirrup and Greenbushes, and elsewhere in the South-West, were all in close proximity to railways; therefore there was as much unearned increment attaching to them as there was to the pastoral leases of the Murchison and other places, and the same conditions of taxation should obtain.

THE TREASURER: It was not the intention of the Government to exempt the old timber concessions from taxation under the Bill. If the amendment to strike out the clause were not carried, he would move to strike out the words at the end of Subclause 4, "or any land regulations in force prior to the commencement of the 1898 Act." That would do away with the objection raised by the member.

MR. A. J. WILSON: Would not the words "or any amendment thereof" in Subclause 1 of Clause 11, if allowed to stand, render futile any proposal contained in the amending Land Bill to meet the cases he had referred to?

THE ATTORNEY GENERAL: It was necessary to retain the words. When the amending Bill came before the House the member for Forrest should see that its provisions were not opposed to the intentions of Parliament; but the Committee could not anticipate future legislation in the manner suggested by the hon. member.

THE PREMIER: The words "or any amendment thereof" provided for timber permits granted under the Land Act Amendment Act 1904.

MR. A. J. WILSON: If the clause were made to apply to all amendments of the Land Act up to the date of the passing of the present Act, we would be perfectly safeguarded. It would be a simple matter to insert words which would limit the application of the clause to the date of the passing of the Act.

At 6·30, the CHAIRMAN left the Chair.
At 7·30, Chair resumed.

MR. BATH: The Treasurer had said this was a tax on the unearned increment; but Clause 9, which dealt with levying the tax, said nothing as to unearned increment. The Treasurer had stated there was no unearned increment so far as timber leases or mining leases were concerned. They were, however, in the same position as those which we had decided should escape the tax. It must be borne in mind that under the system of renting as provided in the Mining Act, all leases throughout the State irrespective of value, irrespective of gold or other minerals contained, were assessed at £1 an acre, so that a man with a 24-acre lease had to pay £24 a year whether his lease was out-back or in the vicinity of the Great Boulder. No one would argue that these leases were of equal value. If we were to treat such leases under paragraph (*d*) on the same lines as we had already treated pastoral and other leases, we should tax them on the unimproved value they enjoyed over and above that represented by the rent. If any amendment of the Mines Act was contemplated, there should be a proposal to make the rents in some way proportionate to the value of the leases held. No such diffi-

culty existed in regard to timber leases. The timber was there, and any inspector could say the timber was worth so much. Timber lessees were not paying anything like a fair annual value.

MR. LYNCH: It was difficult to fix a basis upon which gold mines should be assessed, but in the case of timber areas held under leasehold it would be much easier to arrive at their value. The Bill contemplated taxing residential leases on the fields, while for the purposes of residence one locality was almost as good as the other. And the argument as to added value did not apply to that particular kind of holding, because the particular residential lease was subject to periodic appraisements, and by that means the Lands Department was in a position to secure whatever added values it acquired by means of the unearned increment, or increase of population in the district. To take the case of a timber lease as compared with a pastoral lease, there was no difference between the two cases as far as the products of the soil were concerned. The pastoral lessee leased the land for the purpose of using the grass, and the timber lessee leased the property to take the timber that grew thereon.

THE PREMIER: The two leases could be held by the same people.

MR. BATH: That did not affect the question.

MEMBER: It did.

MR. LYNCH: It worked out in practice—he believed the case rarely existed—that wherever a person was a pastoral lessee over a timber area, he had a very warm time of it.

THE PREMIER: We had joint ownership right down the range.

MR. LYNCH: No distinction should be drawn. The area of timber land in this State was limited, and as the area became less year by year the value of the timber land would increase. In other words as the pressure increased on the lessened timber area, those in possession must naturally reap the benefit of their properties; whereas in respect of a pastoral area there was comparatively little chance of the unearned increment accruing. The paragraph should be amended so as not to exempt timber areas.

Amendment put and negatived.

MR. LYNCH moved an amendment—

That the words "except those from which minerals are being extracted" be inserted after "tenements," in line 1 of the paragraph.

The Treasurer would then be able to tax those mining tenements now utilised for profit. On one of these, at Malcolm, a brewery was erected.

THE TREASURER: Impossible. The land must be a business area.

MR. LYNCH: No. It was within the municipality, and had always escaped municipal rating, though it competed unfairly with other breweries, which had to pay rates. Did not the Kalgoorlie Electric Power Corporation occupy a valuable machinery area?

THE MINISTER FOR MINES: No. That land was, by Act of Parliament, held under special lease.

MR. LYNCH: The amendment would exempt mining tenements from which minerals were being extracted, and would tax water rights and mineral areas used as sources of profit. Some water rights were in valuable situations close to towns, and were used for residential purposes. The Bill as it stood would tax residential areas and exempt residential water rights.

THE PREMIER: The hon. member would exempt mining leases and mineral areas, and nothing else?

MR. LYNCH: Yes.

THE CHAIRMAN: The amendment would hardly meet the hon. member's wish.

MR. LYNCH would deal with the subject on recommittal.

Amendment by leave withdrawn.

MR. TROY moved an amendment—

That all words after "1904," in line 2 of paragraph (*d*), be struck out.

Timber leases as well as pastoral leases should be taxed.

Amendment put and negatived.

THE TREASURER moved an amendment—

That all words after "thereof," in line 4 of paragraph (*d*), be struck out.

Amendment passed.

LANDS VESTED IN TRUSTEES.

MR. EDDY moved an amendment—

That the words "or for cricket, football, or other games of an athletic or recreative nature" be added to paragraph (*e*).

Few recreation reserves were vested in trustees, and apparently those that were would not be exempt.

MR. JOHNSON: What was the scope of the amendment? Private companies held grounds for recreation purposes.

MR. EDDY: The amendment would exempt none but lands held by public trustees, and not for profit.

MR. H. BROWN: A few reserves were held by public trustees who spent all their revenue in improvements. Agricultural show-grounds should be exempt when used for the specific purposes intended by the Government.

MR. TAYLOR: Would the trustees of racecourses be exempt?

MR. BREBBER supported the amendment. Without it the paragraph would seriously affect recreation grounds now being paid for by instalments. The unimproved value of such lands was yearly increasing, and the trustees should not be handicapped by a land tax.

THE TREASURER: Paragraph (*b*) exempted public reserves for health, recreation, or enjoyment. That covered all recreation grounds. The amendment would enable any owner of a sports ground to obtain exemption by putting his land in the hands of trustees. Even now some racecourses were held in trust. The amendment could not be accepted.

MR. TAYLOR: If public recreation reserves were already exempt, the amendment was needless. Racecourses and similar areas held in trust for profit ought to be taxed. The hon. member should not press the amendment, because it was pointed out that the object sought was already attained in the measure. The hon. member surely did not desire to exempt racecourses and places of that description from the tax. No doubt some racecourses, especially on the goldfields, were laid out as parks, but the race clubs were in a position to pay any tax imposed by this measure.

MR. H. BROWN: If sport of a recreative nature took place on an agricultural show-ground, would the show-ground still be exempt from taxation? For instance, tennis was played at the Zoological Gardens. Would show-grounds or zoological gardens be exempt if used for purposes other than those for which the grounds were granted?

THE TREASURER: Paragraph (*e*) exempted show-grounds and zoological grounds.

MR. H. BROWN: Then why should grounds granted for a particular purpose compete with special grounds granted by the Government to trustees for recreation purposes? The grounds were granted to agricultural societies for show-grounds, and the societies used them possibly once a year for agricultural purposes, and for the remainder of the year for all kinds of sport, competing against grounds granted specifically for athletic purposes. The people at Maylands, with Government assistance, had purchased a recreation ground and appointed trustees. Were those trustees to be taxed while the Agricultural Show-ground and the Zoological Gardens, which would compete against the Maylands ground, were exempted?

THE ATTORNEY GENERAL: The amendment moved by the member for Coolgardie was of such a character that any person owning a ground used for athletic purposes could avoid the burden of the tax by vesting the ground in trustees. The member for Perth asked if ground held by trustees for zoological, agricultural, pastoral and horticultural show purposes, and used for other purposes, would be liable for the tax. Clause 12 provided that the benefit of the exemption was restricted to trustees using for the purposes set out in paragraph (*e*), namely for zoological, agricultural, pastoral and horticultural purposes, and that when the interest in the land extended to any purchaser, lessee, licensee, or occupier, or otherwise howsoever, the ground immediately became liable to taxation. That answered the question of the hon. member. If the trustees of the Agricultural Show-ground leased the ground for even one day for the purpose of holding sports, they lost the benefit of the exemption. On the other hand, if the trustees retained the ground absolutely for show purposes, they were exempt from the tax.

MR. EDDY: There was no desire to give any opening for companies to avoid paying this tax. The object of the amendment was to aid three or four recreation reserves in this State vested in trustees. If the Treasurer would promise

to exempt these grounds, the amendment would be withdrawn.

THE ATTORNEY GENERAL: What grounds?

MR. EDDY: Such as the recreation reserve at Coolgardie, which was vested in trustees.

MR. TAYLOR: Why should we lose taxation on a large number of places, such as racecourses and places which were very profitable to those running them, for the sake of one or two places indicated by the hon. member? There was no desire to tax recreation reserves used for recreation alone, but there were profitable grounds held, and the part the trustees took in beautifying them was practically *nil*, while they had privileges not extended to the public, because they could see all sports scot-free.

MR. MALE: The amendment was worthy of the Treasurer's consideration. We subsidised the Zoological Gardens, King's Park, and other places to a considerable extent; and it seemed rather absurd to endeavour to get money back in the form of taxation.

MR. H. BROWN: Under this clause, any land held under corporations, if leased for a day for football purposes, would be taxed. It was never intended that such lands should be taxed.

Amendment (Mr. Eddy's) put, and a division taken with the following result:—

Ayes	...	...	10
Noes	...	...	27
Majority against		...	17

AYES.	NOES.
Mr. Brebber	Mr. Bath
Mr. Brown	Mr. Collier
Mr. Davies	Mr. Daglish
Mr. Eddy	Mr. Ewing
Mr. Foulkes	Mr. Gregory
Mr. Male	Mr. Gull
Mr. S. F. Moore	Mr. Hardwick
Mr. Smith	Mr. Hayward
Mr. Veryard	Mr. Heitmann
Mr. Carson (*Teller*).	Mr. Hicks
	Mr. Holman
	Mr. Hudson
	Mr. Johnson
	Mr. Keenan
	Mr. Layman
	Mr. Lynch
	Mr. Mitchell
	Mr. Monger
	Mr. N J. Moore
	Mr. Piesse
	Mr. Price
	Mr. Scaddan
	Mr. Taylor
	Mr. Underwood
	Mr. Ware
	Mr. F. Wilson
	Mr. Troy (*Teller*).

Amendment thus negatived.

EXEMPTION OF SMALL SECTIONS, £50.

MR. COLLIER moved an amendment—

That Subclause 2 be struck out.

He was unable to understand why a person holding land of a lesser value than £50 should be exempt from taxation any more than a man who held land of a greater value. We were endeavouring to tax the unimproved value of land, and surely land of the unimproved value of £50 was worthy of taxation just as much as land of the value of £500 was. The value was not given to the land by the owner but was created by the expenditure of public money in the construction of roads, railways, and so forth. It would be urged that this proposal was designed to exempt the working man who had a small block of land; but after all what was the amount of tax he would escape? Take a block of land of the value of £50 unimproved. The owner paid 1½d. in the pound, which would amount to 6s. 3d. in the year. If the block was improved he would be entitled to a rebate and would pay 3s. 1½d. That was an amount which even the poorest working man could pay. Why should the owner of a block of land valued at £60 pay 7s. 6d. when the owner of a block valued at £50 would pay nothing at all? He would expect to receive support from the member for Canning, the member for Swan, and the Attorney General, all of whom were ardent supporters of land taxation without exemption.

MR. TROY supported the amendment. He had held all along that there should be no exemptions. The amount of taxation which a person holding property of the value of £50 would have to pay was infinitesimal, and the State would lose a considerable revenue in supporting appeals made by persons who would always assert that their property was not of a value to be liable to taxation. This clause no doubt was inserted with the intention of assisting the struggling person. So far as he knew, all such persons were willing to pay the tax and had urged the necessity for such a measure as this. From the earliest times, when a measure of this description was under discussion those who had supported it were people of the poorest class. They were willing to bear their share of the taxation.

MR. TAYLOR: It might be argued that this clause would protect those who were not large landowners. It had been decided that unimproved land values taxation was the most equitable form of taxation that could be devised, and the majority had decided that there should be no exemptions whether a man held £1 worth of land or £10,000 worth.

MR. BREBBER: The clause should pass as printed. Those who supported an income tax agreed that there should be an exemption of an amount sufficient to provide the necessaries of life. The same argument applied to a land tax. In country districts those who were struggling to make a living on small holdings ought to be exempted from the tax, because there was a difficulty in providing the necessaries of life, and the same argument applied to holders of land in the suburbs. If we were to exempt one class of persons struggling for a living in the country we ought to exempt the person who was struggling for a living in the suburbs.

MR. BATH: The absence of the Attorney General when the question of exemptions was being considered was significant. When this gentleman was first seeking election to Parliament the legend that was emblazoned on his banner was "No exemptions." He trailed the banner through Kalgoorlie, and in all his speeches there were loud denunciations against a land tax with exemptions. In the course of his second campaign, the Attorney General was just as emphatic in support of a land tax without exemptions as he had been previously. If any member who believed in the justice of a land tax without exemptions was desirous of emphasising his argument and giving it point, then he could go to no better source than the remarks of the member for Kalgoorlie when seeking election. In April, 1904, when delivering his big policy speech in Kalgoorlie, and criticising the remarks of the then Premier, the present Agent General, Mr. Keenan said he believed in a great broad principle of land tax without exemptions. However, his great broad principle of no exemptions did not carry him through in 1904; and when seeking election in October, 1905, he again emphasised his previous remarks in favour of a land tax without exemptions, and said he did not belong to that school who changed their principles to order. But the hon. gentleman did change his opinion; for when seeking re-election as Attorney General in 1906, having abandoned his platform of 1904 and 1905 and swimming in a sea of compromise, having consequently to justify compromise as opposed to his former eloquent and virtuous appeals on behalf of the full enactment of the principles he had advocated, he then urged that every day a politician learned something, and that as to the taunt of having changed his opinions on a question, the only time such taunt was worthy of notice was when it was sought to be shown that a change resulting from a fuller knowledge of the subject was made, not from conviction, but to obtain popular favour or for personal gain. He (Mr. Bath) would rather take the principles enunciated by Mr. Keenan in 1904 and 1905 than the principles now advocated by the same person as Attorney General in a Ministry committed to a land tax with exemptions and rebates. It had been urged by the Treasurer that a land tax was justified by the stringency of the financial situation. Accepting the valuation placed on the unimproved values by the Premier when speaking on the second reading of the Bill, a tax of 1½d. in the £ on that valuation without rebates or exemptions was estimated to realise £90,000, while with the proposed exemptions and rebates the tax was estimated to yield £60,000. An all-round tax of 1d. in the £ without exemptions or rebates on the accepted valuation of 14 millions unimproved value would yield over £60,000, which was the sum the Treasurer anticipated would be raised under the present proposals of the Government. As the inclusion of rebates and exemptions would add to the cost of collection, from the point of view of the Treasurer it would be better to have a tax at a lower rate without exemptions, as it would raise an increased revenue at a less cost for collection. Any member seeking for arguments in support of the principle of taxation of unimproved values without exemptions could not do better than quote the arguments used by the Attorney General in Kalgoorlie when seeking to enter Parliament in 1904 and 1905.

THE MINISTER FOR WORKS: Having always advocated the principle of exemptions in taxation, he did so because any scheme of taxation should as far as possible be levied on the superfluities of life. It was a reasonable proposition that the State should do all it could to assist a man to obtain his own home. The exemption proposed in this tax was a small one; but there were numerous instances in which men who by thrift had got a home of their own, and being now in need or perhaps out of employment, would appreciate even this small exemption.

MR. H. BROWN: About half-a-crown a year.

MR. TAYLOR: Make a lever of the poor man every time.

THE MINISTER FOR WORKS: Members opposite who criticised the Attorney General for having changed his views on this question appeared to have forgotten a policy speech delivered in Subiaco two years ago. The Leader of the Opposition (Mr. Bath) took office under a leader (Mr. Daglish) who had expressed a strong feeling in favour of exemptions.

MR. BATH: Would the Minister quote what he (Mr. Bath) then said on the matter of exemptions?

THE MINISTER: It did not matter what the hon. member's views on the subject were. The policy speech of a Premier was binding on every member of the Ministry in regard to that policy.

MR. BATH: The Minister had not read the newspapers at that time.

THE MINISTER: Members on the front Opposition bench were associated with the member for Subiaco during that member's Premiership; consequently it was futile and rediculous for those members to declaim now against the Attorney General for having changed his opinions on this question when they themselves, as he had shown, had changed their opinions. He was not, however, prepared to quarrel with them for having changed their opinions. Change was the order of the day; and he stood on this question as the exception which proved the rule. The exemption clause was an equitable and reasonable proposition, and the Committee should pass it as printed.

MR. TROY: Much had been said of the hardship to be inflicted on the poor man if the exemptions were deleted. A tax of 1½d. in the pound on a block worth £50 would amount to 6s. 3d. a year; and if the holder were struggling to make a home for himself, as pictured by the Minister for Works and the member for North Perth (Mr. Brebber), that man would have improved his block and under Clause 10 he would be liable to pay only 3s. 1½d. a year as a tax on that block. The amount was hardly worth considering. Most of the blocks held by working men in Perth were of a value of £30 and under. The tax on a block of the unimproved value of £30 would amount to 2s. 6d.; and if it were improved the tax would amount to 1s. 3d. a year. Was there any necessity for exempting a man from taxation to that extent? Was it also urged that the proposed exemptions in the case of timber concessions were made in the interests of the working man? It was a case of the poor man being given a mouthful of bread, while the rich man was supplied with two loaves. The workers had never asked to be exempted; they had opposed exemptions time after time; their platform provided for no exemptions.

THE PREMIER: Did not the Federal Labour party want exemptions?

MR. TROY did not care what the Federal Labour party wanted. If they were in favour of exemptions, they deserved condemnation as much as the Government. But at any rate the State Labour party did not want exemptions, and were determined to carry this question to a division. Since there was necessity for farther revenue, why object to an amendment which would give that farther revenue? The member for North Perth had thrown out an unworthy insinuation that members on the Opposition side, not being property owners, were consequently in favour of no exemptions. Those members on the Labour benches who did own property were prepared to pay the tax, and were endeavouring to wipe out the exemptions.

THE TREASURER: The hon. member who had just spoken would have us believe that poor men were crying out for taxation. The hon. member said they never asked for exemption from this tax; indeed they wanted to be taxed, and 5s. or 6s. was of no moment to them. But the hon. member did not represent the

opinions of the workers in the State. Whenever a tax of this description had been proposed throughout Australasia, we found that exemptions were carried.

MR. COLLIER: Not in South Australia.

THE PREMIER: £240.

THE TREASURER: Exemptions had been carried. Whilst recognising that the taxation proposed was just, we must as politicians endeavour to adjust that taxation according to the means of the individual. It was recognised throughout the civilised world that the man who could only earn sufficient for his daily requirements, who only had an income which would enable him to support his wife and family, must receive special consideration at the hands of any Government imposing taxation of this description. We were simply carrying out that rule here. The hon. member (Mr. Collier) said that South Australia had no exemptions. South Australia had no direct exemption in the shape of a lump sum, but a land tax of ½d. per pound was levied on unimproved values, with an additional ½d. in the pound on all estates over £5,000. There was an exemption, at any rate to the extent that the man who owned land of a certain value paid 1d. in the pound.

MR. BATH: Was the rebate an exemption?

THE TREASURER: No.

MR. TAYLOR: It was exactly the same.

THE TREASURER: One could call it an exemption if he liked for improvements, but there was an exemption in South Australia. New South Wales had an absolute exemption of £240; that was for all land. In Victoria we had an exemption, not only of value but of area, the exemption in regard to area being 640 acres, and value £2,500.

MR. COLLIER: That was not a tax on land values.

THE TREASURER: It was a land tax. In Queensland there was no land tax on improvements. In Tasmania we had the same argument again. Although they had no exemption they had a progressive tax, which meant the same thing. They said that for land under a certain value people should only pay ½d. in the pound, and as the value rose they said it should be ⅝d., ¾d., ⅞d., up to 1d., which was exemption under another name. In New Zealand, that democratic country, we had absolute exemptions. There was an exemption of £500 on all lands up to £1,500. This was no new scheme on the part of the Government. It was a rule that had been carried out wherever a land tax had been imposed, and he wished to defend honestly the claims of the poor man in this instance. The poor men of this country had received as much consideration at his hands as they had at the hands of members opposite. He did not care whether it was a poor man struggling to settle himself in the agricultural districts, or a poor man with a weekly wage in the city of Perth struggling to build himself a home on a block of land, in either case such men appealed to him as being fit subjects for clemency in this direction. We had to take into consideration struggling people in the agricultural districts and in the towns of Western Australia, and we ought not to hamper by taxation in this direction the man who earned barely sufficient to keep himself and family. At any rate that was his feeling in proposing these exemptions, the same as he would do if an income tax were proposed to-morrow. He hoped the Committee would not entertain the proposal to strike out this exemption of £50.

MR. FOULKES: It appeared that in legislation passed in other States dealing with land tax, no distinction was drawn between town land and agricultural land. Here, however, was a provision for exempting town lands to the amount of £50, and agricultural lands to the amount of £250. He was in favour of exemptions in all parts of the State to be exactly on the same level. If a piece of land in an agricultural district was worth £250, it represented £250 in cash; and if a man in a metropolitan or suburban area had property worth £250, that also represented £250 in cash. One did not see how to draw any distinction between the two. He intended later to move that the word "fifty" be struck out, and "two hundred and fifty" inserted in lieu, so as to put town and country exemptions on the same level.

THE ATTORNEY GENERAL: The Leader of the Opposition had expressed the sentiment that his absence from the Chamber at this juncture was significant. If it was significant of anything, it was of the want of courtesy by the hon.

member in not letting him know that he intended to make some remarks of a critical nature. Passing over a trivial incident of that character, let him deal with what he had the pleasure of hearing when he learnt that the hon. member was indulging in that class of remark. The hon. member read the speech which he (Mr. Keenan) delivered in April, 1904, dealing with the policy put forward by Mr. Walter James, who was then Premier of this State. That policy, as the words of the speech conveyed, indicated a desire on the part of the then Premier to bring in legislation to authorise a tax on the unimproved value of large estates. Farthermore, Mr. James in that speech expressed his willingness to take power for the Minister to exercise discretion in regard to the incidence of that taxation. To both proposals he took the strongest possible exception, pointing out that it was objectionable on the ground that it was neither right nor just that the application of the tax should be a limited one, limited to large estates; and, farthermore, that it must be clear that the power reserved to the Minister of exercising discrimination in the matter was one that should not be readily consented to. The hon. member, who indulged in a good deal of diligence in hunting up what he (the Attorney General) had said, might at least have been honest in his search, and have read the speech he delivered purely and simply on the land question some months before the present Government came into power. In that speech he pointed out that it was not practicable to get a measure through the House unless one was prepared to meet in some measure the views of other members. His personal opinions in the matter were absolutely unchanged. He explained in his speech at Kalgoorlie that in order that sufficient support might be given to place a measure of this character on the statute-book, he was prepared to waive some of the opinions he had expressed so as to meet the opinions of others, and by meeting their views win their support. Had the hon. member been honest enough to quote fairly that speech dealing entirely with land taxation, he would have read the statement that a politician who wished to place a measure on the statute-book must be prepared to meet views held by other members and not agreeing entirely with his own. He (Attorney General) had never pretended to be capable of dictating to the House the unqualified acceptance of his own views. Though he might be able to place some useful legislation on the statute-book, he could not do so without the support of a sufficient number of other members. The hon. member was a somewhat prominent Minister in a Government that initiated a land-tax policy which embodied the large exemption of £400. And if he thought that exemption wrong and vicious, ought he not to have resigned from that Ministry? As he made no public expression of dissent, were we wrong in assuming that he was thoroughly in accord with the policy of his chief? It was no use trying too hard to reconcile the hon. member's statements with his acts. Let us turn to the subclause. If the Government proposed by this exemption to favour those on whom it might be said their political existence depended, the subclause was open to the severest criticism. But would it create a favoured class? Surely if it favoured anybody it favoured those whom the Opposition claimed to represent, not those whom they said the Government represented, though he hoped that the Government represented every section of the community. How could it be said that the Government were playing a winning card when they proposed to exempt those who as a class favoured the Opposition more than the Government? Hon. members opposite had more right to speak for the worker who dwelt on a fifty-pound residential lot than had he, who represented a commercial rather than a working man's constituency. If the proposal were to exempt town lands of great value, well might the hon. member say the Government were trying to help their own political friends and allies. But the contrary was manifest; for fifty-pound residential areas must necessarily be held by working men. The Bill defined a parcel of land as everything within a common boundary fence; hence, if there must be some substantial frontage to constitute a residential area, £50 would not cover the average values of residential areas occupied by workers in such a municipality as Subiaco. Exemptions were proposed on the introduction

of similar Bills in other States. In New South Wales the first Land Tax Assessment Bill passed the Lower House and was rejected by the Council. When reintroduced in the Assembly many reasons were urged for its rejection, one being that the Council had objected to the appointment of not one but three assessment commissioners. But Mr. J. C. Watson, then member for Young, pointed out that the Council did not object to the Bill for this reason, but on account of the exemption. So we found the extraordinary anomaly that Labour members in this State, who claimed to be progressive and workers representatives, assumed exactly the attitude of the nominee Chamber in New South Wales by wishing to reject the measure because of the exemption clause. No just ground was stated here against exemptions in a tax on unimproved land values. True, in theory it was absolutely objectionable to create by exemption a favoured class. But none could deny that a man of small means who had acquired land on which to build his home deserved every consideration; and how could that consideration be better expressed than by easing his burden of taxation? In calmer moments members opposite would doubtless admit that fact, however strongly they might now for political purposes deny its existence. The member for Claremont (Mr. Foulkes) asked the Government to make a £250 exemption in this subclause, as in the following subclause which would exempt agricultural land held for agricultural purposes. The answer was easy. A man who held £250 worth of land in an agricultural district for the purpose of earning his livelihood as an agriculturist was in every sense a small farmer, holding at the most 500 acres. But a man holding a residential area valued at £250 could not be said to hold the "working man's block" which a man of small or moderate means would acquire.

MR. H. BROWN: The former had to spend more on improvements to get a return.

THE ATTORNEY GENERAL: Possibly; but surely the only ground for exemption was that the land was required by a man of small means for his house. It was absurd to say that such a man would acquire for that purpose a block valued at £250. The sum named, £50, was reasonable. If it were increased it might be said the Government were attempting to fashion the Bill to suit their political friends and supporters. This clause was not dictated by self-interest, but because the Government felt it just and equitable to exempt the "small" man, thus helping him to acquire a home.

MR. BATH: The member for North Perth (Mr. Brebber) said that the clause would exempt the poor man purchasing a block in Perth or suburbs. If that were the only result, the member's arguments might have some justification. But that apparent advantage was very deceptive. The Labour party in and out of Parliament advocated a land values tax as giving an excellent opportunity for readjusting taxation on an equitable basis, recognising that a tax on the unimproved value of land, if imposed to a fair degree, would assure to the working classes who constituted so large a proportion of the population an opportunity of getting rid of other taxes which pressed on them heavily and inequitably. Our existing methods of taxation—customs and other—imposed on the workers of the metropolitan and goldfields areas taxation twice and thrice as heavy as on other classes much better able to bear it; imposed on those workers a burden ten times as heavy as that borne by landholders enjoying a large unearned increment. What was the meaning of the £50 exemption proposed in the subclause? Superficially it looked like a good thing for the worker with a block worth not more than £50. But in practice, the State, by virtue of such exemptions would raise a revenue considerably less than an all-round tax would realise. It would mean that so far as this tax was concerned, we would raise £60,000 instead of nearly £100,000 if the tax were imposed all round. According to the prospect of the finances in Western Australia, the revenue raised by the operation of this tax would not be sufficient to adjust the finances of the State, unless the Treasurer had a considerable streak of luck; and there would be need to resort to other forms of taxation which must be imposed in such a way as to be a burden on the very people the Treasurer had expressed a desire to exempt. They

would be exempted by this Bill up to about 5s. or 6s., but they would be called upon by some other form of taxation to pay £1 or £2; and so the ultimate gain to the poor man was very problematical.

THE TREASURER: What other form of taxation?

MR. BATH: Let Ministers inquire into all forms of indirect taxation. They would find that the amounts raised by the incidence of indirect taxation would press most heavily on the working classes. That was the invariable rule. That was why the land tax was opposed by landholders; because they recognised that by the ordinary form of taxation that had obtained hitherto they had been able to place the burden of the tax on the shoulders of those least able to bear it. On the other hand, the bulk of the people recognised that, although to be exempted under this Bill was an apparent advantage of a few shillings, perhaps to make up the revenue lost by the exemptions they would have to pay much higher in some other form of taxation. The Attorney General complained that he (Mr. Bath) had not read all the hon. member's speeches on the land tax; and the hon. gentleman said that he had made a speech in Kalgoorlie prior to this Government taking office; but one had only to point to the fact that a gentleman in Kalgoorlie, a supporter of the Attorney General and a great opponent of exemptions, a gentleman who had not understood exactly what the Attorney General was driving at in that speech, had come to Perth to see the Attorney General and had returned to Kalgoorlie with the assurance that the Attorney General was still sound upon no exemptions, so far as land values taxation was concerned. He (Mr. Bath) was not one of those who were continually running to the remarks of other hon. members in the past in order to quote them against their fellow members for some change of opinion; but without any desire to attack the Attorney General, he wished to say that the responsibilities of office had made the hon. gentleman infinitely more tolerant than the hon. gentleman was wont to be. He (Mr. Bath) had quoted certain remarks to show the attitude of the Attorney General in 1904 and 1905 as compared with the hon. gentleman's attitude today; because no member in this House was more intolerant of views opposed to his own than was the same member when seeking election. When the hon. member was intolerant of the views of others, and when to disagree with the Attorney General was to commit a terrible crime and to feel all the force of that hon. gentleman's invective, as the opponents of the hon. gentleman did in the course of the last campaign, surely it was just as well to show the Attorney General that he had been inconsistent in this matter and had changed his opinion. There was no desire on his (Mr. Bath's) part to condemn the Attorney General or any member for a change of opinion; but members could best assure cordial relations between members and a hearing for their views by being tolerant of one another's opinions and tolerant perhaps of a change of opinion.

MR. H. BROWN supported the clause in the Bill. It was about the first sop the Bill contained for towns, and it was satisfactory to see from this goldfields-country Ministry some little recompense for the towns. He supported the amendment suggested by the member for Claremont to exempt up to £250 in the towns as well as in the country. The exemption should apply to the extent of £250 both in the city and the country. One could get a larger income from £250 spent in the country than from the same amount spent in a town. The suggested amendment should be supported by metropolitan members, especially when they remembered the memorable letter written by the Treasurer stating that the greatest portion of the tax would be raised in the towns and expended in country districts.

MR. GULL: There should be no exemption in regard to this tax. If it was a tax for revenue purposes, to take the place of the customs revenue we had lost, every man in the community should pay his portion of it, the small man paying little and the big man paying heavily in proportion. For that reason he supported striking out the exemption. He believed the tax was too heavy in the first instance; but if there were no exemptions the tax could be brought down to 1d. or ½d., and would raise just as much revenue and be applied equitably all round. He could not support the

amendment suggested by the member for Claremont, because the man with £250 worth of land in the country had not the same opportunity as the man with the £50 exemption in the city. The man in the country had to get his living off the land, but the small man with £50 worth of property in the town generally worked in some industry and received wages.

MR. TAYLOR: Notwithstanding the special pleadings on the part of the Treasurer, the Minister for Works, and the Attorney General on behalf of the working man, that poor individual who had been crying out for exemption from the taxation proposed in this Bill, he (Mr. Taylor) would remind Ministers that at the Congress of Workers held 14 months ago it was practically unanimously decided that there should be no exemptions in an unimproved land values tax. Therefore it was idle for the Ministers to use the worker as a lever to bring about certain conditions in this measure. The real desire was to help others, and not the workers. The Treasurer claimed that he was a friend of the worker, and that he had done as much in the interest of the worker as any member on the Opposition side; but it was idle for anyone to take notice of the Treasurer's remark in that regard. Members had only to bring to mind the Treasurer speaking last week on the education question, speaking on behalf of the poor man, and putting on him an additional tax for education, in one case of 52s. per year, and in another case of £5 a year. That was the protection the workers obtained from the Treasurer, and probably the hon. gentleman spoke on behalf of the Government. We had listened to the special pleadings of the Attorney General with reference to that hon. gentleman's change of opinions. No Minister could have his own way in carrying out the policy of a Government. Cabinet was ruled by the majority when conflicting interests were at stake. So one could sympathise with the Attorney General; but unfortunately the hon. gentleman, when seeking election and after his return to Parliament, had been very strong in his denunciation of those who would give exemptions, whereas on his accession to the Ministry the Attorney General proved more pliable. If it were a matter of fighting this question on party lines there was ample ground for a severe attack on the hon. member's change of front in regard to exemptions on land taxation. Mr. Daglish, in his policy speech, pointed out that there would be exemptions; but 80 per cent. of the workers in this country repudiated that idea, and had the measure come before the House with exemptions it would not have been carried. We believed in the fairness of land taxation; it was the most equitable form of taxation that could be devised. It had been pointed out by the Leader of the Opposition that the taxation to-day was felt more harshly by the workers than anyone else. The Attorney General had read a statement by Mr. Watson in the New South Wales Parliament, but that was a load which Mr. Watson would have to carry, and we were not responsible for his actions. It was idle for the Government to plead the working man. The highest possible contribution from the worker under the exemption proposal would be 6s. 6d., and with a rebate 3s. 3d. The Treasurer would endeavour to lead the public to believe that by exempting the timber companies that was again in the interests of the working man. It was the rebate and the exemption for the wealthy classes that made the taxation to-day on the necessaries of life, which the worker had to bear, so heavy.

MR. TROY: In order to show how the worker was taxed by the various forms of taxation and how necessary it was to remove that taxation by passing a land tax without exemptions, it had been proved that the amount which a worker on the goldfields, with a family of four, had to pay was £60 per annum. If a land tax without exemptions was passed, a great deal of the taxation now on the shoulders of the workers would be removed; therefore it would be more in the interests of the workers to pass a land tax without exemptions. If it was unfair to tax a man who had an allotment worth £50, it was equally unfair to tax a man having a block worth £50 10s. The value of the blocks of land held by the majority of workers averaged about £30 each, and since the owners were struggling to improve their properties the tax on that land would amount to about 1s. 3d. per

year. By the land taxation the workers would be relieved of much heavier burdens. The Treasurer could not pose as the friend of the working man; to do so was most amusing and interesting to members on the Opposition side. The House had decided that the well-to-do farmer, who had every advantage over the farmer starting to-day, was to receive a rebate, and to-night the Government had supported a concession to the timber companies. We were told that because the Government were offering a paltry exemption of 1s. 3d. to the worker, they were favouring the working man, while big holders had been relieved of taxation to the amount of £4 or £5. It was fair to press this amendment to a division to show that the Opposition were sound on the question of no exemptions. When the Daglish Government advocated an exemption of £400, the proposal did not receive the endorsement of members on the Opposition side, although it might have received the endorsement of the members of the Labour Government; and if Mr. Daglish had brought down a measure providing for exemptions, that measure would have received the uncompromising opposition of his party.

MR. JOHNSON supported the amendment. He had been one of those comprising a Government who were prepared to introduce a Bill providing for a larger exemption than was now proposed. If there was any virtue in exemptions, the Government who proposed to introduce an exemption of £400 (Labour Government) did something that could be justified, for an exemption of £400 would assist a large section of the community. But when the present Government came forward with a paltry £50 exemption in towns and £250 exemption in agricultural districts, what did it amount to? It was trifling with the question. Suppose he had been elected in favour of exemptions, he would oppose this proposal as trifling with the question. The proposal was so ridiculous that even those who supported exemptions could not vote for it. The member for Claremont was not satisfied with the exemptions, although he favoured an exemption; therefore it was his clear duty to vote for the amendment as a protest against the Government trifling with the question. The Attorney General had opposed him (Mr. Johnson) when a candidate for Parliament, and at that time the hon. gentleman won a great deal of support by his condemnation of the opinions he (Mr. Johnson) held on land values taxation. The hon. gentleman appealed to the people on the ground that he (Mr. Johnson) was an undesirable representative—the member did not put it in these words—and he urged the people to support him (Mr. Keenan) because he was in favour of a land tax without exemptions. He (Mr. Johnson) had been a member of a Government that advocated exemptions, and he listened to the eloquent appeals of the other candidate against exemptions, and was convinced that he (Mr. Johnson) was absolutely wrong and he decided to amend his ways. When he stood again for election he decided that he had done with exemptions altogether. But after convincing him (Mr. Johnson) that he was wrong, we found the Attorney General turning round and taking up the position which he had condemned. The Attorney General was so strong against trifling with what he contended was a great principle, that he (Mr. Johnson) was satisfied that the opinions held by the same gentleman in 1904 and 1905 were sound, and that the opinions he held to-day as Attorney General were unsound.

Amendment (to strike out exemption) put, and a division taken with the following result:—

Ayes	...	...	16
Noes	...	...	24
Majority against	...		8

AYES.	NOES.
Mr. Bath	Mr. Brebber
Mr. Bolton	Mr. Brown
Mr. Collier	Mr. Carson
Mr. Gull	Mr. Daglish
Mr. Heitmann	Mr. Davies
Mr. Holman	Mr. Eddy
Mr. Hudson	Mr. Ewing
Mr. Johnson	Mr. Foulkes
Mr. Lynch	Mr. Gordon
Mr. Monger	Mr. Gregory
Mr. Scaddan	Mr. Hayward
Mr. Taylor	Mr. Keenan
Mr. Underwood	Mr. Layman
Mr. Walker	Mr. McLarty
Mr. Ware	Mr. Male
Mr. Troy (*Teller*).	Mr. Mitchell
	Mr. N. J. Moore
	Mr. S. F. Moore
	Mr. Piesse
	Mr. Price
	Mr. Smith
	Mr. Veryard
	Mr. F. Wilson
	Mr. Hardwick (*Teller*).

Amendment thus negatived.

EXEMPTION, TOWN AND COUNTRY ALIKE, £250.

MR. FOULKES moved an amendment (previously indicated)—

That after the word "exceed," in Subclause 2, the words "two hundred and" be inserted.

This would make the exemption £250 for town and country lands alike. His reason for moving the amendment was that he did not see why a geographical distinction should be drawn between one class of property and another. We had had a list of the various exemptions in the different States, and in each of those States no distinctions had been drawn in the various localities in which land taxation existed. The Treasurer stated that the agriculturist made his living from the piece of land he had purchased from the Government, and that therefore he should not be liable for the same amount of taxation as the man who lived in the town. One did not agree with that argument, because the man who invested a few hundreds in agricultural land in most cases made a greater profit than the man who purchased property up to small amounts in the town. The rewards of the country investor were much greater, and he received greater advantage and assistance at the hands of the Government. The Government lent him money more freely to assist him in making improvements than they did the man who held property in an urban district. The Government lent the agriculturist up to practically three-fourths of his property. They lent him money not only to build a house, but also to fence his land and ringbark his timber, and they give him other advantages, and helped him in every way to improve his land.

MR. WALKER: All of which he needed.

MR. FOULKES: The man in the urban districts was entitled to quite as much consideration at the hands of the Government as one in the agricultural districts.

MR. H. BROWN: The amendment should be supported. City property was taxed much higher in every way than country lands. One roads board had anticipated this tax, and made the rate as low as a ½d. or a ¼d. in the pound. The report of the North-East Coolgardie roads board showed that they had received in one year £257 14s. in rates, and they only showed an outstanding amount of £16 3s. for rates, yet they had paid away in salaries alone £260. The subsidies to that roads board amounted to the huge sum of £1,175. The towns taxed themselves practically up to the hilt, and the Government forced them to rate as high as possible to get the highest subsidy, whereas in the country districts no force at all had been used up to the present time, but they taxed themselves as low as possible, and also valued their lands as low as possible. In the districts of Sussex and South Bunbury they raised 4½d. and 5d. for every pound granted to them by the Government.

MEMBER: What about Perth?

MR. H. BROWN: Perth raised for every 15s. granted £1.

MEMBER: The Perth roads board?

MR. H. BROWN: For every pound the Government gave them they raised over 25s. In fact the Perth roads board was one of the highest-rated boards in the State. An exemption of £250 for the towns would be only a fitting one, as compared with country districts. Subservient members of the Government would, if the Government were to say black was white, absolutely follow and vote for them. The amendment was entirely in favour of their constituents, and let us see whether they were going to support their constituents or the Government.

MR. WALKER: The member for Perth gave an illustration of a roads board which he (Mr. Walker) happened to know. It was true the roads board did obtain only small funds from rating, and had of course to pay salaries, and that board necessarily required assistance from the Government to maintain the roads. The hon. member forgot that the district of this roads board embraced some hundreds of miles of road; not a few paltry little streets or little bywavs with which the hon. member might be familiar, but roads leading to important mining townships, roads that were absolutely necessary for the development of the country. These were national roads, and had they been in New South Wales

they would have been in charge of the Government. This roads board had to take charge of the roads. Surely the hon. member could not use that as an argument for non-taxation of city property. How came it that Perth was possessed of all this valuable property? It got it through the development of those mining townships in relation to which he now begrudged the spending of a few pounds for the making of the highways of the State. The whole value of Perth land was due to the discovery of gold. What was it worth before the enterprising pioneer miners went into the wilderness to seek for gold?

HON. F. H. PIESSE: They were West Australians.

MR. WALKER: Not all of them. Every ship from the East that came to these shores was laden with pioneers, who went out and made this country what it was now.

HON. F. H. PIESSE: They helped to make it.

MR. WALKER: Then the hon. member should not give all the credit to West Australians. The men from the East led the way. [HON. F. H. PIESSE: No.] What was it that built the magnificent edifices of Perth, and extended streets into what was bush? Nothing but the development of the goldfields. Now the hon. member (Mr. Brown) begrudged goldfields roads boards a few pounds from the Treasury; and the people who had made a bankrupt State a great nation were to be used like a stalking-horse so that the hon. member's constituents might escape taxation. Let townspeople bear their share of responsibility with mining and other country residents.

MR. BREBBER opposed the amendment. The £250 exemption in the country was on similar lines to the £50 exemption in towns. He would not follow the member for Perth.

Amendment (Mr. Foulkes's) put, and a division taken with the following result:—

Ayes	...	...	4
Noes	...	...	37
Majority against		...	33

AYES.	NOES.
Mr. Brown	Mr. Bath
Mr. Duglish	Mr. Bolton
Mr. Davies	Mr. Brebber
Mr. Foulkes (*Teller*).	Mr. Carson
	Mr. Collier
	Mr. Eddy
	Mr. Ewing
	Mr. Gordon
	Mr. Gregory
	Mr. Gull
	Mr. Hardwick
	Mr. Hayward
	Mr. Heitmann
	Mr. Holman
	Mr. Hudson
	Mr. Johnson
	Mr. Keenan
	Mr. Layman
	Mr. Lynch
	Mr. McLarty
	Mr. Male
	Mr. Mitchell
	Mr. Monger
	Mr. N. J. Moore
	Mr. S. F. Moore
	Mr. Piesse
	Mr. Price
	Mr. Scaddan
	Mr. Smith
	Mr. Taylor
	Mr. Underwood
	Mr. Veryard
	Mr. Walker
	Mr. Ware
	Mr. A. J. Wilson
	Mr. F. Wilson
	Mr. Troy (*Teller*).

Amendment thus negatived.

EXEMPTION, COUNTRY LANDS.

THE TREASURER moved an amendment that Subclause 3 be struck out.

Amendment passed.

Farther motion made that the following be inserted in lieu:—

All lands used solely or principally for agricultural, horticultural, pastoral, or grazing purposes, or for two or more of such purposes, the unimproved value of which does not exceed one thousand pounds, shall be assessed after deducting the sum of two hundred and fifty pounds. Such deduction shall not be made more than once in the case of an owner of several estates or parcels of land, but in every such case the aggregate of the values of such several estates or parcels shall be regarded, for the purpose of taxation, as if such aggregate represented the unimproved value of a single estate or parcel.

MR. BATH moved an amendment thereon—

That the words "two hundred and" before "fifty pounds" be struck out.

This would mean that the amount of the value of unimproved agricultural land to be exempted would be on the same basis as city land, namely £50 exemption. He failed to understand the argument that £250 worth of agricultural land was the equivalent of £50 worth of land in a city. If it were a question of selling, the

money obtained for £250 worth of land in an agricultural district would be just the same as from £250 worth of city land.

MR. H. BROWN supported the amendment, particularly after the wretched speech made by a Minister of the Crown in which he said in effect, "We are giving you all these exemptions; the towns are to pay the tax, and the country districts are to get the benefit."

MR. BOLTON: Who said that?

MR. H. BROWN: The Treasurer. Members for the metropolitan district should at least have the decency to support the amendment, which would place the towns on a par with country districts, as a protest against that speech made by the Treasurer.

THE TREASURER: Apparently the hon. member was referring to a letter written by him (Treasurer) to a public body in his constituency. The hon. member should not get so irate about that.

MR. H. BROWN: The Minister would not write such a letter to a city constituency.

THE TREASURER: Yes; to any constituency. That letter only stated facts. The hon. member was endeavouring to make a mountain out of a mole-hill, in practically saying that what was stated in the letter was incorrect. If the towns bore their proportion of the tax which he (the Treasurer) thought they would—[MR. LYNCH: And hoped they would]—they would get value for that taxation. Therefore, what was wrong with placing before the country the position exactly as it appeared to him? He had said the towns would not reap a direct advantage from the construction of agricultural railways. Those districts in which railways were being constructed would reap a direct advantage from such railway construction; yet no one but the member for Perth would put on that expression the meaning that the towns would receive no advantage. The whole country must receive advantage from any progressive public works policy such as it would be shortly the pleasure of the Government to propose to the House. The reason why the Government proposed an exemption of £250 in agricultural districts and only £50 in the towns was that in the opinion of the Government those exemptions were pretty well equal. It was only fair that the small holder of agricultural land should be protected in regard to his means of livelihood, seeing that in this connection the city dweller had a full measure of protection. The struggling settler on the land depended on it for the subsistence of his family. Just as a man of small means was usually exempted from an income tax, it was justifiable to exempt from a land tax the man who was endeavouring to eke out a living on a small block of land. Even the hon. member would admit that the block on which a struggling settler's home stood, which would be a fair comparison with the town lot, would not be worth more than £50 out of the proposed exemption of £250; and the remainder was what the Government considered to be a low enough exemption to enable that man to earn from the proceeds of his toil sufficient to support himself and his family. Members should not attempt to draw a red-herring across the track; and it was useless the member for Perth attempting to impart bitterness and personal animosity to the debate.

MR. H. BROWN: There was no animosity at all.

MR. DAGLISH: Would this exemption apply to the market garden of a Chinaman living within the metropolitan radius? Would that garden come within the definition of this clause? Would it come within the meaning of either agricultural or horticultural lands? If so, would it be exempt from taxation if it were under £250 in value? The Treasurer had spoken of the desirability of exempting a certain class of people in this State to a greater degree than another class. While giving the Government credit for a desire to do the best for all classes of the community in framing the Bill, the wisdom of the Government might not be on every question beyond doubt, especially in an entirely new principle of taxation, which proposed to tax two classes of the community in different degrees. In no State in the world had that principle been adopted. Hence Western Australia was being asked to launch out on an unknown sea. The Treasurer waxed eloquent in advocating the claims of the agriculturist and pastoralist to this larger exemption,

and pointed out how unfair it would be to tax them to the same extent as people in the towns were taxed. Exactly the same argument might apply to Customs taxation. In the old days, when there was a tax on tea, the man who used a pound of one shilling tea paid exactly the same contribution to the Customs as the man who bought a pound of three shilling tea. The man who at the present time used the cheaper article that was taxed, where there was a fixed duty, paid exactly the same duty as the man who used a more expensive article. The poor man contributed to the Customs even to a greater degree than the rich man.

THE MINISTER FOR WORKS: Was not a higher duty placed on luxuries?

MR. DAGLISH: Yes.

THE MINISTER FOR WORKS: Was that not making a class distinction?

MR. DAGLISH: The hon. member was wrong. It was simply taxing the man who consumed the luxury, irrespective of the class to which he belonged. Where luxuries were taxed, no member of the community was compelled to pay that tax; it was voluntary. Where a member of the community was taxed in respect of land on which he lived, it was not a voluntary tax. Unfortunately in the city and suburbs a man who lived in a cottage, though it might not belong to him, was compelled to pay the land tax. A man who lived in a cottage built on a piece of land worth more than £50 would be compelled, although a tenant and not a landowner, to contribute in rent the amount of the tax imposed under the Bill. Members should recognise that it was as essential to the welfare of the State that there should be workers in the town industries, as in the country industries. Although the agricultural industry might be the backbone of the country, yet there must always be workers in town industries. We had no right to say to the man producing boots that we would tax him to a greater extent than we would tax a man producing wheat. Both were essential to the welfare of the community. If there were to be any exemption of the land tax, both should be equally exempted, or there should be no exemption at all. He was prepared to support a reduction of the exemption in regard to the agricultural and pastoral workers, because the Committee had already decided that £50 was an ample exemption; and what we professed to be doing was to tax land values, and where there were equal values, we should tax equally. Either we were going to remove this blot from the clause, or destroy the principle of land value taxation; because, where equal values existed and different taxes were imposed, the whole principle of land values taxation was being abrogated at once.

Amendment (Mr. Bath's) put, and a division taken with the following result:—

Ayes	...	...	16
Noes	...	...	24
Majority against	...		8

AYES.	NOES.
Mr. Bath	Mr. Brebber
Mr. Bolton	Mr. Carson
Mr. Brown	Mr. Cowcher
Mr. Collier	Mr. Davies
Mr. Daglish	Mr. Eddy
Mr. Heitmann	Mr. Ewing
Mr. Holman	Mr. Gordon
Mr. Hudson	Mr. Gregory
Mr. Johnson	Mr. Gull
Mr. Lynch	Mr. Hayward
Mr. Scaddan	Mr. Keenan
Mr. Taylor	Mr. Layman
Mr. Underwood	Mr. McLarty
Mr. Walker	Mr. Male
Mr. Ware	Mr. Mitchell
Mr. Troy (*Teller*).	Mr. Monger
	Mr. N. J. Moore
	Mr. S. F. Moore
	Mr. Piesse
	Mr. Price
	Mr. Smith
	Mr. Veryard
	Mr. F. Wilson
	Mr. Hardwick (*Teller*).

Amendment thus negatived.

OWNERS OR TENANTS.

THE PREMIER suggested that after "lands," the words "outside the boundaries of any municipality" be added.

THE CHAIRMAN: The hon. member could not move it now, as that part of the clause had already been dealt with.

THE PREMIER suggested the addition to Subclause 3 of the words "Provided that this subsection shall only apply to lands outside the boundary of any municipality." That would meet the case referred to by the member for Subiaco.

MR. DAGLISH: Oh no.

THE PREMIER: It would to some extent.

MR. DAGLISH: The amendment suggested would not meet the point at all. Were the member for Perth (Mr.

H. Brown) present, he would be able to confirm the assertion that at say Osborne Park, within three miles of Perth, a large number of persons of Asiatic race followed the occupation of market gardeners; and if the suggested amendment were carried, all those persons would be entirely exempt from taxation unless the land they were using was of more value than £250. The Perth roads board, under the jurisdiction of which those people were, covered a large area, including the Maylands district, and all the people within that area who were following market gardening operations would be exempt.

THE ATTORNEY GENERAL: Were they freeholders or tenants?

MR. DAGLISH: Whether they were landowners or tenants he could not say, but he had seen these Asiatics working. There were certain of our municipalities where the same class of people were following the like occupation.. The effect would be to exempt those working outside the municipality, and tax those working inside, assuming they were freeholders; but even if they were tenants, the probable result would be that the tax would be passed on from the freeholders to the tenants, and really the same effect would be achieved.

THE ATTORNEY GENERAL: The freeholder would pay the tax.

MR. DAGLISH: Probably the freeholder would collect it from the tenant. Wherever the agreement between the landlord and tenant was that the tenant should pay all rates and taxes, necessarily the imposition of a tax meant that the tenant would pay that tax.

THE ATTORNEY GENERAL: The Bill provided the direct contrary to that.

MR. DAGLISH: The Attorney General knew probably better than anyone in the House that those provisions could be evaded, and the question was governed by, amongst other things, the life of the lease. Unless there was something more than a yearly lease, immediately the land tax became law it would be passed on from the landlord to the tenant. As a rule, these lands taken up for garden purposes were not let on lease for a term of years, but more often on a monthly tenancy. There should be equality to all individuals in the same class. The Committee had said that there should not be equality of treatment for all citizens. They had said that we should not tax a man according to his means, but according to his occupation. The Committee having adopted that, he was anxious now to see some sort of equality of taxation for persons following the same occupation, that being the nearest that could now be got, as far as he could judge, to equality of taxation or to just taxation. In the vicinity of Perth was the Perth roads board district, and in the vicinity of Claremont and Fremantle were several roads board districts. The Premier's amendment would exempt from taxation persons following certain occupations within these areas to a greater degree than persons following similar occupations in municipalities, possibly more distant from Perth and with a worse market. The amendment would not only fail to effect the Premier's purpose, but would inflict injustice on many people.

THE ATTORNEY GENERAL: Clause 51 provided that every contract, agreement, or understanding whatsoever which might have the effect of removing or affecting the incidence of any assessment or tax, or displacing the benefit of any exemption authorised by the Bill, whether made before or after the passing of the Bill, should be wholly void and inoperative in so far as it was intended to have or might have such effect. Even if the owner agreed with the tenant that the latter should pay all taxes, including the land tax, the agreement, though under seal, would be inoperative and the tax would fall on the owner. When a tenancy agreement had been made prior to the coming into operation of the Act, an assessment would be made between landlord and tenant; and by a subsequent clause the assessment would be made by taking the leasehold interest as worth so much, and the interest which the landlord held by virtue of the rent reserved and the reversion interest which he held by virtue of the value of the property on the expiration of the lease. Thus the assessment to the landlord would be ascertained, and the tenant's assessment arrived at from the value of his tenure. But this method would apply only to agreements made prior to the coming into operation of the Act, to the effect that the tenant should be liable for all taxes. Any such agreement

subsequently made would be absolutely null and void in respect of the land tax.

MR. DAGLISH: That provision related only to leases for a term of years.

THE ATTORNEY GENERAL: As stated in Clause 51, it related to any form of tenancy whatever, even to a tenancy for a week or a day. When it became necessary to make an assessment, none but the owner of the land would be assessed, save in case of an agreement made prior to the Act, when the tenant would have to contribute to the tax if he had agreed to pay all taxes. But subsequent to the coming into operation of the Act, that was expressly provided against. The hon. member's illustration was inapplicable. The reason for distinguishing between lands inside and lands outside municipalities was apparent. None could contend that within a municipality agricultural, horticultural, pastoral, or grazing pursuits could legitimately be carried on.

MR. DAGLISH: They were carried on in Perth.

THE ATTORNEY GENERAL: Well, that would not be allowed for the purpose of evading the tax. The primary object of a municipality was to set aside land for residential and business purposes. The subclause would be operative only when lands outside a municipality were solely or principally used for agricultural purposes and the other purposes mentioned. The man occupying the land for residential purposes could not be said to use it solely or principally for cultural purposes. If he kept a cow on a few acres of land around his house, he could not successfully contend that the land was principally used for grazing purposes. It was impossible to improve the phraseology of the clause. Let the hon. member show how it could be improved. The hon. member contended that we should recognise the right to hold within municipalities land to be used for grazing purposes. [MR. DAGLISH: No.] Well, for horticultural purposes. That could not be legitimately contended.

MR. SCADDAN: Chinese gardens were numerous in North Perth.

THE ATTORNEY GENERAL: Was that a legitimate use to make of the land? If municipal lands were intended for residential and business purposes, the subclause was justified; and if some people used such lands solely or principally for horticultural purposes, they were not using them legitimately.

MR. HOLMAN: The Bill did not mention anything about that.

THE ATTORNEY GENERAL: The Bill sought to exempt lands within a municipality, if their unimproved value did not exceed £50. Beyond a municipality we had to grant a larger measure of exemption. The Bill simply provided for limited exemption inside municipalities. It was recognised that outside municipalities the exemption must be larger, because inside municipalities no person would legitimately hold land for agricultural, horticultural, or pastoral purposes.

MR. DAGLISH: The Attorney General had obviously not read the Bill, because the measure made no reference to municipalities. The Premier had suggestd a certain amendment which was not embodied in the Bill, and which was suggested in consequence of certain remarks made by him (Mr. Daglish). The Attorney General as legal adviser of the Government should read his brief; then his explanation would carry more weight. As a matter of fact, the Attorney General had been speaking entirely without knowledge of what transpired in the discussion, and with as little knowledge of the discussion as of the Bill. The point raised was that the suggestion of the Premier would not tax equally the Chinaman gardening in a city or municipality and a Chinaman gardening outside a municipality. There were many blocks in the city of Perth being legitimately used for the purpose of gardening, and entirely unfitted for other purposes. Under the Premier's suggestion the man gardening in the city and paying a higher rent would be taxed to a greater degree than the man gardening at Osborne Park, adjacent to the city, and paying a smaller rent, providing that in both instances the land was occupied by tenants. In fact the gardener at Osborne Park would practically escape taxation under this clause. If the Attorney General would frame a clause which would specially deal with Asiatics he (Mr. Daglish) would support it. That class of person should not escape fair taxation under this agricultural subclause. It was to be feared that one of the biggest

gainers under the subclause would be the Chinese market gardener, and the clause should be amended to prevent it. One would like to see the ability the Attorney General had so thoroughly shown in confusing the issue devoted to the task of helping the Premier to frame some amendment that would achieve this object.

MR. HOLMAN: It would be wise to report progress. It would give the Attorney General an opportunity of perusing the Bill.

THE PREMIER; We had not got through one clause to-night.

MR. BATH: To show that the Attorney General did not get the hang of the clause, if a municipality were formed at Katanning it would include the orchard of 300 acres owned by the member for Katanning; and according to the interpretation of the Attorney General, the member for Katanning would not be putting his land to a legitimate purpose. To do so the hon. member would need to root up the trees and divide the land into building blocks.

MR. JOHNSON: This was unquestionably an important matter, and Ministers had not met the difficulty. If there were a few jokes over the question it was a big matter which must be considered. The Treasurer's proposal might be passed if the Treasurer would give the assurance that the matter would be dealt with on recommittal. It was a matter that must be dealt with. The proposal of the Premier did not meet the case at all. We should have a little more information from Ministers as to whether they intended to fix this matter up.

THE TREASURER: It was intended to have the words proposed by the Premier inserted on recommittal, or if it was not found necessary to recommit the Bill, to have them inserted in another place.

MR. JOHNSON: Would the words proposed by the Premier get over the difficulty?

THE TREASURER thought so.

MR. JOHNSON: Was it intended to put the Premier's amendment?

THE CHAIRMAN: No.

THE PREMIER: That might stand over to see if anything else would meet the case better. It was only proposed now to insert the subclause as on the Notice Paper.

MR. JOHNSON: Would there be an opportunity to move farther on recommittal if the clause contained the difficulties members thought it contained? If not, it would be necessary to discuss the question now. Members could not let it go by default in this way.

THE CHAIRMAN: The question before the Committee was whether the subclause proposed by the Treasurer should be inserted.

MR. DAGLISH was not satisfied with the assurance of the Treasurer. It was the duty of the Committee to see that any measure that went to another place had secured adoption here and met the will of the Committee. It was a novelty in legislation to propose to make an amendment in another place. Such a proposition had never been made in this Chamber before, nor ever mentioned in the House of Commons or any other Legislative Assembly as far as his knowledge extended. It was to be hoped the Government would not introduce the principle of asking the Committee to pass measures known to be imperfect, with the object of amending them in another place if possible. The Government should agree to recommittal.

THE TREASURER: The member was quite mistaken in his surmise. It had never been suggested that the Committee should pass defective legislation, in order to have it amended in another place; but he did suggest that certain words ought to be added after "lands," in the first line of the subclause. As the Chairman had ruled the Premier out of order in moving to insert these words, he (the Treasurer) had stated that they could be inserted in another place. His experience in Parliament, which was longer than that of the member for Subiaco, was that this course had often been followed where certain words had obviously been omitted. What harm was done?

MR. DAGLISH: Would the clause be defective without the words?

THE TREASURER: Yes; the clause could be acted under, but it would be defective. He pledged the Government to have the Bill recommitted with a view to moving to insert the words. Then the amendment could be threshed out, and if the Bill was not recommitted, he

would have the words inserted in another place; and when the measure came back, the amendment could be discussed. Members did not want the Bill recommitted for the insertion of merely a few words. Already he had proposed that the Bill should be recommitted, if it was so desired.

MR. DAGLISH: The Treasurer had promised that.

THE TREASURER: Then what was all the noise about?

MR. DAGLISH: Trying to keep the Government straight.

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

Ayes	...	...	22
Noes	...	...	15
Majority for	...	...	7

AYES.	NOES.
Mr. Brebber	Mr. Bath
Mr. Carson	Mr. Bolton
Mr. Cowcher	Mr. Brown
Mr. Davies	Mr. Collier
Mr. Eddy	Mr. Daglish
Mr. Ewing	Mr. Heitmann
Mr. Foulkes	Mr. Holman
Mr. Gregory	Mr. Hudson
Mr. Gull	Mr. Johnson
Mr. Hayward	Mr. Scaddan
Mr. Keenan	Mr. Taylor
Mr. Layman	Mr. Underwood
Mr. Male	Mr. Walker
Mr. Mitchell	Mr. Ware
Mr. N. J. Moore	Mr. Troy (*Teller*).
Mr. S. F. Moore	
Mr. Piesse	
Mr. Price	
Mr. Smith	
Mr. Veryard	
Mr. F. Wilson	
Mr. Hardwick (*Teller*).	

Amendment (to insert subclause) thus passed.

EXEMPTION, CONDITIONAL PURCHASES.

MR. COLLIER moved an amendment—

That Subclause 4 be struck out.

Throughout the Bill there appeared to be a desire to assist the man on the land, at the expense of his town brother. Proposals had been carried for rebates to the extent of one half of the tax and exemptions up to £250, to the country landholder. And on top of this it was proposed to exempt all holders of conditional purchase land for a term of three years. It might happen that a person in possession of a conditional purchase area might only have held it for two years, and that it was of infinitely more value than land which had been held for six years. We had dealt most generously with the farmer or the man on the land; and admitting the argument that he was the backbone of the country, he would have no cause to complain of his treatment.

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

Ayes	...	...	13
Noes	...	...	25
Majority against	...		12

AYES.	NOES.
Mr. Bath	Mr. Brebber
Mr. Bolton	Mr. Carson
Mr. Brown	Mr. Cowcher
Mr. Collier	Mr. Daglish
Mr. Heitmann	Mr. Davies
Mr. Holman	Mr. Eddy
Mr. Hudson	Mr. Ewing
Mr. Johnson	Mr. Foulkes
Mr. Scaddan	Mr. Gordon
Mr. Underwood	Mr. Gregory
Mr. Walker	Mr. Gull
Mr. Ware	Mr. Hayward
Mr. Troy (*Teller*).	Mr. Keenan
	Mr. Layman
	Mr. Male
	Mr. Mitchell
	Mr. N. J. Moore
	Mr. S. F. Moore
	Mr. Piesse
	Mr. Price
	Mr. Smith
	Mr. Veryard
	Mr. A. J. Wilson
	Mr. F. Wilson
	Mr. Hardwick (*Teller*).

Amendment thus negatived.

EXEMPTION, PRIVATE PURCHASES.

MR. CARSON moved an amendment—That after the word "thereof," in line 3 of Subclause 4, the following be inserted:—

And all lands held under contract from private owners where the contract provides for effecting improvements equal to or greater than those which would be imposed by the Crown in a conditional purchase contract for land of a similar class and character.

It was impossible to get any return from land for some years after taking it in its virgin state, and those who selected on the Midland Company's area should receive the same consideration as those who obtained land directly from the Crown. The Midland lands should be settled, and we should not place any obstacle in the way of their becoming settled. It would be unfair not to give those selectors the same exemption as was granted to persons who selected Crown lands. He hoped the Government would accept the amendment, or one of a similar character.

THE PREMIER: The Government could not see their way to accept this amendment, because it provided for ex-

emption in cases where owners or purchasers of land had entered into a contract for effecting improvements. So far as Government land was concerned, those selectors had not only entered into a contract, but if they did not fulfil the improvements the land would be forfeited to the Crown. In the amendment proposed there was nothing to force these men to carry out the improvements. Again, those who obtained land from the Midland Company would have the benefit of the exemption up to £250; and he really could not see how we should be justified in accepting the amendment. The conditions, as far as the conditional purchase holders were concerned, dated from the history of the block when it was alienated from the Crown; but in the case the hon. member referred to that land might have been alienated from the Crown for some years and been unimproved, then afterwards subdivided and sold; consequently he could not see that the two cases were similar in any way.

MR. EWING: The Government should give some consideration to this question. For many years it had been the wish of this House and the country generally to see the vast areas of land opened up and settled. A settler coming from New South Wales or the old country would go to the Lands Office, and if he took up land at Katanning or some other country district he would be exempt from taxation for five years. If the same settler bought land from the Midland Company he would have to pay a much higher price, and would from the start be burdened with a land tax of 1½d. in the pound.

MR. HOLMAN: He would have to pay a still higher price if the amendment were passed.

MR. EWING: A settler on land purchased from a private person, say in the Moora district, was as valuable to the State as a conditional-purchase selector.

MR. BOLTON: Who would compel the improvement of private lands?

MR. EWING: If improvements were not effected, the settler must pay the tax. Such a settler on virgin country had no chance of a rebate.

MR. SCADDAN: Everyone had to effect improvements to get the rebate.

MR. EWING: But conditional-purchase selectors were to have several years' exemption; therefore anyone taking up virgin agricultural lands should have a similar concession. The Premier was mistaken in retarding settlement on private lands. He (Mr. Ewing) was not pleading for the Midland or any other company; but all settlers should receive equal consideration.

MR. BOLTON: Why did the hon. member treat the town and the country differently?

MR. EWING: The majority of the Committee decided that.

MR. SCADDAN: The amendment would enhance the value of privately-owned land.

MR. EWING: The amendment was entitled to more consideration than it seemed likely to get. As the Government desired to encourage immigration, was not a settler at Moora as valuable as one at Katanning?

THE PREMIER: The subclause would give a man with 3,000 acres of conditional purchase land an exemption for three years. But suppose that were private land, and were similarly exempted, if at the end of two years he sold 1,000 acres, was the purchaser to get another three years' exemption? [MR. EWING: No.] That would be the effect of the amendment. The Government were as anxious as the hon. member that the Midland Company's lands should be settled; but the amendment would make this subclause impossible.

MR. FOULKES opposed the amendment. The Midland Company were not the only persons who sold lands. Years ago he bought land from private persons, and was prepared to pay the taxation imposed on it. If the amendment passed he could not be compelled to effect improvements. To draw a distinction between properties bought from different landowners was impossible. A man who bought Midland lands bought them with his eyes open, knowing they were not subject to improvement conditions.

Amendment put and negatived.

EXEMPTION, 5 YEARS C.P.S.

HON. F. H. PIESSE moved an amendment—

That the word "three," in line 4 of the subclause, be struck out and "five" inserted in lieu.

Three years from the date of the conditional-purchase contract was too short a term of exemption; and five years would give the new settler a better opportunity to effect his improvements.

MR. CARSON: The term should be increased. It was impossible for a man to get his land in perfect order in five years, and it was difficult to get settlers even when the best conditions were offered. The Government should accept the amendment, because it was very necessary in the interests of the settlement of the State.

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

Ayes	...	...	19
Noes	...	...	10
Majority for	...	...	9

AYES.	NOES.
Mr. Carson	Mr. Bath
Mr. Cowcher	Mr. Brown
Mr. Daglish	Mr. Collier
Mr. Davies	Mr. Heitmann
Mr. Eddy	Mr. Holman
Mr. Ewing	Mr. Keenan
Mr. Gordon	Mr. Underwood
Mr. Gregory	Mr. Walker
Mr. Hayward	Mr. Ware
Mr. Layman	Mr. Troy (*Teller*).
Mr. Male	
Mr. Mitchell	
Mr. N. J. Moore	
Mr. Piesse	
Mr. Price	
Mr. Smith	
Mr. Veryard	
Mr. F. Wilson	
Mr. Hardwick (*Teller*).	

Amendment thus passed.

Clause as amended put, and a division called for.

MR. H. BROWN: It was not fair for the Chairman to put the question before members could cross the floor to their places. [Mr. Brown then left the Chamber.]

MR. HOLMAN: Was a member in order in leaving the Chamber after a division was called for?

THE CHAIRMAN: A division was called for, but the question had not been put.

MR. HOLMAN: Was a member in order in leaving the Chamber when the bells were ringing for a division?

THE CHAIRMAN: Yes.

Division resulted as follows:—

Ayes	...	...	19
Noes	...	...	10
Majority for	...	...	9

AYES.	NOES.
Mr. Carson	Mr. Bath
Mr. Cowcher	Mr. Collier
Mr. Davies	Mr. Daglish
Mr. Eddy	Mr. Heitmann
Mr. Ewing	Mr. Holman
Mr. Gordon	Mr. Hudson
Mr. Gregory	Mr. Underwood
Mr. Hayward	Mr. Walker
Mr. Keenan	Mr. Ware
Mr. Layman	Mr. Troy (*Teller*).
Mr. Male	
Mr. Mitchell	
Mr. N. J. Moore	
Mr. Piesse	
Mr. Price	
Mr. Smith	
Mr. Veryard	
Mr. F. Wilson	
Mr. Hardwick (*Teller*).	

Clause as amended thus passed.

Clause 12—Only owners of land specified in preceding section to be entitled to exemption:

MR. BATH: The Treasurer might report progress now. We had been at the Bill all night and it was now 20 minutes before midnight.

THE TREASURER: These were only machinery clauses. We might as well get through them.

Clause passed.

Clauses 13, 14—agreed to.

MR. TROY moved that progress be reported.

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

Ayes	...	...	10
Noes	...	...	18
Majority against	...		8

AYES.	NOES.
Mr. Bath	Mr. Cowcher
Mr. Brown	Mr. Davies
Mr. Collier	Mr. Eddy
Mr. Daglish	Mr. Ewing
Mr. Heitmann	Mr. Gordon
Mr. Holman	Mr. Gregory
Mr. Underwood	Mr. Haywood
Mr. Walker	Mr. Keenan
Mr. Ware	Mr. Layman
Mr. Troy (*Teller*).	Mr. Male
	Mr. Mitchell
	Mr. N. J. Moore
	Mr. Piesse
	Mr. Price
	Mr. Smith
	Mr. Veryard
	Mr. F. Wilson
	Mr. Hardwick (*Teller*).

Motion thus negatived.

Clause 15—agreed to.

Clause 16—Treasurer to give notice of returns:

THE TREASURER moved an amendment—

That in Subclause 4, line 7, the words "and the particulars of the income" be struck out.

MR. BATH: There was a probability that the particulars would be necessary to arrive at the unimproved value.

THE ATTORNEY GENERAL: This clause was taken from a Bill for the assessment of a land tax and an income tax; and these words had unnecessarily been retained.

Amendment passed; the clause as amended agreed to.

Clauses 17 to 20—agreed to.

NEW ASSESSMENTS, HOW MADE.

Clause 21—New assessments:

MR. BATH: The clause provided that the Treasurer might from time to time make new assessments. With this provision, where the Assessment Bill was separated from the Land Tax Bill there was a tendency, unless a specified time were allowed for reassessment, to allow the old assessment to remain, with the result that the tax would be imposed on only a portion of the unimproved value. We should have a specified period between assessments, so that the Treasurer would know that when the time had elapsed he would have to make the assessment and bring the values up to date. It would be preferable to provide that an assessment should be made at specified periods, say every three years. He moved an amendment—

That the words "may from time to time" be struck out, with the view of inserting the words "shall every three years."

THE TREASURER: All these machinery clauses, including this one, were taken from New South Wales, which had a Land Tax Assessment Act and a Land Tax Act. The assessment would be a continuous process; and he did not suppose that the whole of the country could be assessed at the same time, and perhaps not within the twelve months. A certain portion of the country might be assessed one year and the following year the other portion. It would be a rather heavy job. We had better leave the clause as it stood, and trust to members and to Parliament to see that the Treasurer kept up to the mark, that he did not increase the amount of the tax and allow the assessment to remain too low.

MR. BATH: The Treasurer had argued previously that the land tax could be amended each year in order to adjust the tax according to the particular requirements of the finances.

THE PREMIER: We should not need to amend the Act to reassess.

MR. BATH: The probability was that we should find a necessity to make amendments in this measure, not only in regard to the machinery for assessment but in relation to other provisions. It would have been preferable if the Treasurer had embodied both measures in one Bill, because then not only could the amount of the tax be reviewed but also the assessment. The fact that these clauses were embodied in the New South Wales Act was no recommendation so far as this State was concerned. The low assessments he now predicted without periodical reassessment had happened in New South Wales, for there the assessments were not up to date. New South Wales did not reap the capital unimproved value at the present time, and by adopting the same provision we were only providing for similar results in Western Australia.

MR. TROY: Parliament should not leave it to any Minister to fix the date of future assessments. If we laid down a hard-and-fast rule for an assessment every three years, Parliament would give sanction to the Minister in power for the time being to make an assessment, and the Minister would be compelled to do so. Within the next few years there would be a very material advance in the value of unimproved land in the State. He believed it was the intention of the Govment to borrow several millions of pounds, and those millions would be expended in the development of this State. The expenditure of the borrowed money would enhance the value of land in the towns very considerably, and also enhance the value of land in the country. People who had the value of their land enhanced by the expenditure of this money should be compelled to pay a little more in the way of land taxation to make up the necessary interest due on the loans. Too much had been left to the discretion of a Minister.

[MR. H. BROWN took the Chair.]

THE ATTORNEY GENERAL: The Leader of the Opposition seemed to be under a complete misapprehension as to

a right method of procedure in the adoption of Bills of this nature. The hon. member was under the impression that in New Zealand the Land Tax Act and the Assessment Act were one, whereas such was not the case. The Land and Income Assessment Act and the Land Tax Act were entirely different measures. There was a schedule to the Land and Income Assessment Act, but that referred simply to the progressive taxation.

MR. BATH: That was the one he was alluding to.

THE ATTORNEY GENERAL: It referred to only that portion which was progressive.

MR. BATH: That was a land tax on unimproved values.

THE ATTORNEY GENERAL: No. If the Land and Income Assessment Act had been passed, and no other Bill had been passed, not a penny of revenue could have been collected under the first measure; therefore it was not a Tax Bill.

MR. BATH: A schedule showing a tax was at the end of the Bill.

THE ATTORNEY GENERAL: Let the hon. member look up the statutes. The measures were quite distinct, like the Bills introduced here. There was no schedule showing the amount of the tax. The Act contained a mere machinery schedule. We must not provide expensive machinery for collecting the land tax.

MR. BATH: That had already been provided in the clauses just passed.

THE ATTORNEY GENERAL: No. In Clause 22 we reserved the right to accept the unimproved value assessments of local authorities, thus minimising expense. The Treasurer retained the right to make an independent assessment; a principle already adopted in the Goldfields Water Supply Act and similar measures. In this country of enormous distances we should adopt every feasible expedient for avoiding expense. If a new assessment every three years were compulsory, we should probably involve ourselves in wholly unnecessary expenditure. If satisfied that local authorities were making honest assessments, why should we spend Government moneys in making separate assessments?

MR. BATH: The member for Perth said the other night that the assessments by local bodies were too low.

THE ATTORNEY GENERAL: If the Treasurer thought them too low, he could make independent assessments.

MR. TROY: He would not make them unless compelled.

THE ATTORNEY GENERAL: Why should he not have the opportunity of utilising the assessments of local bodies?

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

[MR. ILLINGWORTH resumed the Chair.]

Clause 22—Power to use other assessments:

MR. H. BROWN regretted having been unable to protest against the clause just passed. To Clause 22 he was entirely opposed. None knew better than the Attorney General that the unimproved land value assessments submitted by corporations were absolutely unreliable; and they were much worse in the country than in the metropolis. The majority of roads boards valued as low as 5s. in the pound. It was disgraceful to allow the Government to accept either the corporation or the roads-board valuations. The Treasurer needed as much revenue as he could get from this tax. Let the revenue be equitably obtained. Even in Perth land worth £40,000 to-day was assessed at £27,000 in the rate book. Municipal lands were rated practically on the rental values, and in Perth only a small proportion were rated on the unimproved land values. It was regrettable to find that in a House of 50 members we had now only two city members amongst the 17 discussing this Bill. That fact should be published. To-night the member for Katanning (Hon. F. H. Piesse) moved to exempt country lands for five years. If the same member had proposed 10 years the Government would have agreed. Throughout the Bill country lands were exempted all the time. Pass this clause and the impost would become a town tax. The Government, if they really desired to raise revenue, would accept the services of the many sworn valuators in the State, rather than the erratic valuations now existing.

MR. TROY agreed to some extent with the preceding speaker; but the need for economy in collecting rendered inadvisable the appointment of a staff of

valuators which would eat up the revenue. Competent valuators might be found among civil servants. Many corporations did not rate fairly, particularly when subsidised by the Government and not compelled to rate in proportion to the subsidy; but he could not support the amendment unless it was altered to provide for less expensive valuations.

MR. H. BROWN: In the majority of towns the valuations were as nearly as possible true, being made by outside valuators. Low as town properties were rated, in nine cases out of ten members of roads boards taxed themselves, and that was why country districts were rated below their value as compared with city lands. Out of the 70 or 80 roads boards in the State not half a dozen employed a valuer.

THE PREMIER: The hon. member was absolutely incorrect. The Murray, Brunswick, Donnybrook, Fremantle, and Bunbury suburban roads boards had valuators. The hon. member had only to turn up the *Government Gazette* to see where the roads boards advertised for valuers. In fact the hon. member was talking without his book. When the hon. member finished his term as member for Perth, he should be presented with a tin medal, because we heard from him nothing but Perth from morning to night. It was good that every member in the House was not as parochial as the member for Perth, or it would be a bad thing for Western Australia.

Clause put and passed.

MACHINERY CLAUSES.

Clauses 23 to 26—agreed to.

Clause 27—Provision when name of owner unknown:

MR. TROY: If the owner could not be found how were we to tax him?

THE TREASURER: We could realise on the land.

Clause passed.

Clauses 28, 29, 30—agreed to.

Clause 31—Public officer of company; duties and liabilities:

MR. HOLMAN: The whole of the night had been taken up by Ministers bringing forward amendments to their own measure. It was not fair to keep members here till close upon one o'clock. He moved that progress be reported.

Motion put and negatived.

Clause put and passed.

Clauses 32 to 43—agreed to.

Clause 44—Tax to be a first charge upon land:

THE TREASURER moved an amendment—

That in Subclause 4, line 4, the words "if such land is not subject to any *bona fide* mortgage" be struck out.

The subclause made the land tax a first charge, notwithstanding any mortgage; but this subclause, if not amended, would make the land tax subject to any *bona fide* mortgage. There would be conflict if the words were retained. The equity of redemption might not suffice to pay the land tax, and it was intended that the tax should be a first charge.

Amendment put and passed.

On motion by the Treasurer the clause was also amended by striking out Subclause 5 dealing with the same matter.

Clause as amended agreed to.

Clauses 45 to end—agreed to.

Title—agreed to.

Bill reported with amendments.

ADJOURNMENT.

The House adjourned at 21 minutes past 12 midnight, until Wednesday afternoon.