

Legislative Council,

Friday, 19th December, 1924.

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

QUESTION—WHITE CITY.

Hon. J. M. MACFARLANE asked the Colonial Secretary: 1, Have the Parks and Gardens Committee given a lease over the area known as "White City"? 2, If so—(a) to whom, (b) for what period, (c) and for what consideration? 3, Will the Minister obtain a police report upon the conduct of the place under the several sublessees during the last 12 months, more particularly in regard to games of chance or gambling games?

The COLONIAL SECRETARY replied: 1 and 2, (a) A first preference of occupation is reserved to the Ugly Men's Association, Incorporated, and a second preference to the Silver Chain. Subject to the foregoing, Mr. D. M. Martin has been given the right to occupy the grounds for the balance of the summer season. (b) The arrangement expires on the 31st March next summer. (c) To the Uglies and Silver Chain £6 per day, not including time occupied in preparation and cleaning up; and to the third preference occupier for £15 weekly, with obligations relating to caretaking, improvements, rates, taxes, and depreciation over the whole year. 3, Reports indicate that the conduct of the place during the past twelve months is a marked improvement upon conditions previously existing. During the present season a representative committee, now functioning, has eliminated some amusements, and generally improved the system of supervision and control.

BILL—LICENSING ACT AMENDMENT.

As to leave to introduce.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [3.3]: I move—

That leave be given to introduce a Bill for an Act to amend Section 100 in Part 6 of the Licensing Act, 1911.

[94]

Hon. H. SEDDON (North-East) [3.4]:

I move an amendment—

That the following words be substituted in lieu of the motion:—"That in view of the present congestion of business and the desire of the Government to close the session at an early date, this House requests the Government to introduce the Bill in another place."

This Bill involves two very important questions, first of all altering the Licensing Act to provide for a simple majority, and secondly the question of compulsory voting. These questions are of the utmost importance to the general public, and every member of Parliament should have an opportunity of expressing his opinion concerning them. Seeing that this House is congested with business on the Notice Paper, and that it will be difficult for us to complete our programme and deal with the 14 Bills now before us, this latest Bill should be dealt with by another place before it is sent to this House.

The PRESIDENT: I ask members to address themselves to the amendment.

Hon. J. CORNELL (South) [3.6]: I rise to ask you for guidance.

Hon. A. Lovekin: He wants some wisdom.

Hon. J. CORNELL: Yes. I admit it may be possible to move an amendment such as this, but it is unprecedented. The order of leave to introduce a Bill is treated more or less as a formal matter. The House has the option of granting or refusing it without any equivocation or stating any definite reason. I have never known of an amendment to be tabled to a motion of this kind. What is more, the amendment as drafted does not conform to our Standing Orders, which clearly provide that when a motion is moved and an amendment is made to it, that amendment shall be to strike out some portion of the motion before the House. This amendment fails in that respect.

The PRESIDENT: In the circumstances it will be quite enough for members to vote "yes" or "no" to the motion of the Colonial Secretary.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [3.8]: Am I permitted to speak?

The PRESIDENT: Yes.

The COLONIAL SECRETARY: I am surprised at the new methods that are being adopted by this Chamber. The amendment moved by Mr. Seddon is an attempt to dictate to the Government as to where they shall introduce their Bills. We had the first instance of the change in procedure last night when the Land Tax and Income Tax Bill was returned to the Assembly.

Hon. A. Lovekin: You will be glad of that before you are much older.

The COLONIAL SECRETARY: No constitutional consideration was given to that measure.

Hon. J. J. Holmes: The action was taken out of consideration for you.

The COLONIAL SECRETARY: The Bill was returned to another place without close examination. Under that procedure I could have been prevented from replying to the arguments used against the Bill, but owing to your indulgence, Sir, I was permitted to proceed. You can realise the position that would arise, if, after a statement had been made against the Bill and arguments had been used in opposition to it, the Leader of the House was not permitted to reply.

Hon. A. Lovekin: You had the right of reply.

The COLONIAL SECRETARY: I am informed I had no such right.

Hon. J. Cornell: You had no right. It was only as a matter of courtesy that you were permitted to speak in reply.

The PRESIDENT: You had the right of reply.

The COLONIAL SECRETARY: If this new suggestion is adopted, it will be without parallel in the Parliamentary history of this State or of Australia. Hitherto the Council has claimed to have co-equal powers with the Legislative Assembly except in regard to money Bills. Under the Constitution, any Bill except a money Bill can be rejected in the Council.

Hon. H. Seddon: That is not always carried out.

The COLONIAL SECRETARY: This is not a money Bill, but an amendment to the Licensing Act with regard to the taking of a poll on the question of prohibition. The Pearling Bill was not rejected here, although it was introduced in this Chamber. There was no protest against its introduction here. That Bill contained drastic provisions affecting the liberty of certain people.

Hon. J. Duffell: It was introduced before the Standing Orders were amended.

The COLONIAL SECRETARY: It vitally affects a great industry, but no exception was taken to its introduction in this House. I have never yet heard of any attempt on the part of any member of the Council to cause this Chamber to repudiate its responsibilities. It is the duty of the Council to accept and consider this Bill. That is what members are here for.

Hon. J. Duffell: Is it?

The COLONIAL SECRETARY: They are not here to dictate to the Government as to the Chamber in which a Bill shall be introduced.

Hon. H. Seddon: There is a big difference between a request of this sort and dictation to the Government.

The COLONIAL SECRETARY: This is tantamount to dictating to the Government and to a refusal to consider the Bill, I ask

members to consider the position carefully, and to refuse to adopt this innovation.

Hon. J. W. Kirwan: Is there any special reason for introducing this Bill here?

Hon. C. F. Baxter: Of course there is.

The COLONIAL SECRETARY: It is a matter of convenience.

Hon. J. Nicholson: Are they so crowded with business in the Assembly?

Hon. J. J. HOLMES (North) [3.13]: I understand, Mr. President, you have ruled the amendment out of order, and that we are back to the question as to whether or not this Bill should be introduced. To begin with, the Colonial Secretary says he has never heard of anything of this kind happening before. If he will turn up "Hansard," No. 2, of the year 1921-22, he will find that Mr. Colebatch sought for leave to introduce a Bill into this Chamber, and that members refused to grant his request. That dispenses with the suggestion of the Leader of the House that this is the first time an attempt has been made to dictate to the Government as to what they should do.

Hon. J. Cornell: There is a difference between refusing leave and dictating to the Government.

Hon. J. J. HOLMES: If this House can be said to be dictating to the Government, it is due to the action of the President in ruling the amendment out of order. There was no dictation about the amendment. It was a request that the Government should withdraw the Bill from this Chamber and introduce it in another place. Assuming that this were a departure from the usual procedure—and I claim it is not—we have to meet unusual circumstances with an unusual procedure. Members will see from the Notice Paper that we are crowded out with business. We know that another place has been waiting for business from us and that they had so little to do that they took a holiday, at a time when they should have been considering this liquor Bill.

Hon. T. Moore: The Assembly now has had returned to it two of the biggest Bills we have yet discussed.

Hon. J. J. HOLMES: At the time when the liquor Bill should have been introduced there and debated the Assembly took a holiday. The reason why the Bill has not been introduced in the Assembly is incapable of being understood by anyone who is not a student of politics in this State. Anyone who has followed the promises made during the general election and also made in connection with this particular Bill since the present Government came into power, will readily appreciate why it has been introduced here and not in the Assembly. It is assumed that the Bill, should permission be given for its introduction, will be read this day six months. The Bill will not get in by the back door but will have to come in by the front door if I have any say in the matter. Thus it is assumed that the Bill

will be laid aside in this Chamber. That is to say, in such circumstances the lower House will have no opportunity to consider it and the responsibility will be thrown on this Chamber. The Bill provides for a referendum by the people who are responsible for electing the members of the Assembly. Had the Bill provided for a referendum to be taken by those who elect the members of this Chamber, the position would be somewhat different. We talk about friction between the two Houses! If we are looking for trouble we will pass the Bill and then we will get the biggest slap in the face we have ever received. We will be told then that we have passed a Bill dictating to the Assembly what they must do. Surely with these facts before us, we must come to the conclusion that the Assembly is the proper House to consider the Bill, because the referendum to be taken is to be decided by the people who vote for the constitution of the Assembly. Another important question involved is that of compulsory voting. This Chamber earlier in the session refused to agree to the principle of compulsory voting. With that knowledge of the position, presumably the Government considered that sending the Bill to the Council presented one way of getting out of the promises they made at the elections. The Government have adopted the attitude that they will send the Bill to the House that has already decided one of the points at issue. Having introduced the Bill, and anticipating that it will be read this day six months, they will regard the responsibility as ours. Thus the people who have made extravagant promises will endeavour to shelter themselves behind the Council. I have no desire to take up any adverse attitude regarding the present Government, nor do I desire to inconvenience the Leader of the House. I would do anything I could to help him. But there comes a time when, in very self-respect, one must stand up and say, "You are not going to shelter yourselves behind me in this matter." If the Government desire to fulfil their election promises in the proper way, let them introduce the Bill in the proper Chamber. I do not propose to say any more, except that I will vote against the introduction of the Bill. As to the excuse that may be raised that we cannot object to the Bill because we have not seen it, through a fortunate or perhaps unfortunate set of circumstances the Bill was circulated among members yesterday. We had an opportunity of perusing the Bill that the Government proposed to introduce. If I understand the position aright, the Bill should not have been distributed until after leave had been granted for the introduction of the measure. However, it is before us and we know that it contains two points involving a referendum of the electors of the Assembly and compulsory voting. If the Bill is laid aside in this Chamber it cannot be introduced in the Assembly this session.

I have explained why it has not been introduced there and I will content myself with voting against the motion before the House.

Hon. J. DUFFELL (Metropolitan-Suburban) [3.20]: Mr. Holmes has made the position fairly clear. He has shown to the Minister, who was not a member of this Chamber at the time the House refused permission to Mr. Colebatch to introduce a Bill, that the proposed action to-day does not establish a precedent. It is immaterial whether the motion for leave to introduce a Bill concerns the Licensing Act or any other Act. As I pointed out to the Leader of the House when we were discussing the motion for the suspension of the Standing Orders that enabled us to sit at 3 o'clock on four days in the week, whilst I was prepared to meet the Government in that way, I would not support any attempt to initiate new legislation in this Chamber. It is well-known that while we were sitting each day at 3 o'clock the members of the Assembly availed themselves of an opportunity to take a holiday.

Hon. T. Moore: For how long?

Hon. E. H. Gray: Only three sitting days.

Hon. T. Moore: And how long did we adjourn for earlier this session?

Hon. J. DUFFELL: Never mind that. We did adjourn at the conclusion of the debate on the Address-in-reply until such time as the Assembly sent forward legislation for us to deal with. If the Leader of the House had desired to bring in fresh legislation, he had his opportunity then. It appears that the Government have given a definite undertaking to introduce a Bill to amend the Licensing Act. They have fulfilled their pledge to that extent. When the Assembly was short of business, the Bill could have been introduced there and sent to us to deal with it subsequently. That would not have answered their purpose, however, as Mr. Holmes has pointed out. It certainly looks as if the Assembly is attempting to shelter behind the Leader of this House who has an arduous task to perform here.

The PRESIDENT: I do not think the hon. member is in order in imputing motives.

Hon. J. DUFFELL: I am not. I am reciting facts.

The PRESIDENT: It sounded as though you were attributing motives.

Hon. J. DUFFELL: I say that it looks as though the Government were endeavouring to shelter themselves behind the Leader of the House. We have sat early and late and have sat on extra days in order to assist in disposing of the business.

Hon. T. Moore: The other House sat all night.

Hon. J. DUFFELL: And we are prepared to sit all night if necessary. We have never refused to do so. I will not vote for leave to introduce the Bill and will cast my vote

in an endeavour to prevent the Leader of the House from getting the permission he seeks. I have another reason of fundamental importance. If we refuse permission for the introduction of a Bill, it will be open to the Government to introduce the measure in the Assembly and then send it on to us. If it be introduced here and we throw it out, it will be too late for it to go before members this session. The Government know that quite well. I say without fear of contradiction that is why the Government seek to introduce the Bill here.

Hon. J. W. KIRWAN (South) [3.25]: I intend to vote against the motion. It is rather unusual to adopt such a course on such a motion, but the circumstances are so extraordinary that I feel justified in doing so. On one previous occasion in similar circumstances, Mr. Colebatch, then Leader of the House, endeavoured to introduce a Bill that was of minor importance. It sought to amend the Education Act. Owing to the extraordinary pressure of work, the House had no hesitation whatever in refusing to grant him leave to introduce the Bill. I have not heard from the Minister the purport of the Bill, but it has been distributed already and I have been able to look through it for myself. It contains two most important principles such as will call for considerable discussion. Issues such as those involved in the Bill should not be dealt with in the closing hours of the session at a time when the Standing Orders are suspended. One of the principles involved is the granting of authority for a vote on prohibition and in the event of its being agreed to, a bare majority is to carry the day.

The PRESIDENT: I do not think the hon. member is in order in discussing the contents of the Bill. The measure is not supposed to have been distributed among members, and the question before the Chamber is whether leave shall be given to introduce the Bill. The hon. member will open up a full debate if he continues along those lines.

Hon. J. W. KIRWAN: I agree with what you say, Mr. President, but I hope you will allow me to mention one or two matters because of the extremely important nature of the point involved. It is a matter of public knowledge as to what the Bill contains. It has been distributed among members and I merely wish to refer incidentally to this aspect in order to provide support for my argument. The question involved is whether a bare majority should be agreed upon for the determination of such an important question as prohibition. Whether we are prohibitionists or not, it is a great and important issue, and I feel satisfied that the wisest prohibitionists do not wish to see a great reform brought in unless it has behind it the force of the opinion of the mass of people. I mention that point because it

is extremely important. With our Standing Orders suspended and during the closing hours of the session, it is neither meet nor seemly that a Bill of this description should be brought before us. I will therefore vote against the motion. There is the other all-important issue of compulsory voting that has been previously discussed in this Chamber. I feel that the extraordinary and unusual circumstances justify me in voting against the motion.

Hon. J. CORNELL (South) [3.30]: The question has been asked whether the Council possesses the right to refuse leave. We know that we have the right to either grant or refuse leave. In 1922 I voted to refuse leave, and it happened for the reasons that are being advanced here to-day, the congestion of business and the lateness of the session. On that occasion the Bill was of minor importance. Its object was merely to make lawful what is known as the Parents and Citizens' Association. That Bill would not have taken five minutes to pass, but on that occasion, as on this, we had suspended the Standing Orders, and as is usually understood, advantage must not be taken of that suspension to introduce new legislation. Let us analyse the situation and see to what extent we can justify our action in refusing to grant leave. During the last general elections, and even before, it was given out from a hundred platforms that the Licensing Act was to be amended. The present Government declared that if they were returned to office they would introduce legislation for the taking of a referendum in 1925 on the question of prohibition. Three months ago a deputation waited on the Premier and asked him to carry out his election promise by introducing such a Bill. He did not commit himself to introduce the Bill this session, but he expressed himself in favour of an amendment of the law in the direction sought. Last March was the month of the advent of the Government. We are now in December. Three months ago the Premier expressed his readiness to agree that the law should be amended, if he did not actually commit himself to introduce a Bill this session. The Licensing Act provides that a referendum of the electors of the Legislative Assembly shall be taken in 1925 on the question of prohibition, and that whatever the result, the verdict should stand for five years. In spite of the information that was available to the Government, delay after delay has occurred until the fag-end of the session when both Houses are loaded up with legislation that is being considered, and the Standing Orders are suspended in order to facilitate the passage of Bills before Christmas. In these circumstances the amending Bill promised by the Government is brought in. The Bill, as has been said, is of a highly controversial nature, and if it had been introduced at

the beginning of the session, I have no doubt that it would have been debated at six consecutive and full sittings. There are angles now from which the Bill can legitimately be opposed. I know that it will go forth to the world—but it will not be taken with much credence—that the Government have endeavoured to honour their election pledges, but the Legislative Council would not permit them to do so. I am afraid that will not cut any ice at all. A warning was issued from this Chamber four or five days ago. I said then that I thought the importance of the measure warranted its introduction in another place. There was a general chorus of approbation. In spite of that warning the Government proceed along the even tenor of their way and adhere to their intention to introduce the Bill in the Legislative Council. Now we have arrived at the position as to whether we should grant leave to introduce it and discuss the position on the second reading, or test the position at this stage. In view of the trend of the debate, and that whilst originally I might have been prepared to grant the order of leave, and debate on the second reading whether or not the Bill should go out, it is immaterial now whether it goes out at this stage or at a later stage. Whichever course is adopted the blame is bound to be heaped on to our shoulders. I am satisfied, in view of the prominence the subject has had, that if those people who want nothing but prohibition are not now wise to the situation, nothing on earth will ever make them wise.

Hon. A. J. H. SAW (Metropolitan-Suburban) [3.38]: I intend to take the somewhat unusual course of voting against granting leave to introduce the Bill. I take that course in the interests of political honesty.

Members: Hear, hear!

Hon. A. J. H. SAW: We are now approaching the festive season which, in this State, is accompanied by a racing carnival, and so perhaps a little racing simile may not be out of place, particularly as one, at least, of my colleagues is interested in what he erroneously calls "the sport of kings." It is certainly not the king of sports. I am not a racing man, and I assure members that the little information I am going to impart to the House was not given to me by my colleague. I understand that in racing circles it is occasionally the custom, where a horse is known not to have a chance, or when it is desired that its weight should be brought down, or when it is not ready to win, or even when it is desired to throw dust in the eyes of the public, to do what is known as "give the horse a little airing."

Hon. J. Duffell: "A pipe-opener," it is called.

Hon. A. J. H. SAW: That is what I understand the Government contemplate doing to-day, and so this sorry nag, the Licensing Act Amendment Bill, is trotted out. At the eleventh hour and fifty-ninth minute of the time for the closing of nominations, the Government introduce the Bill to this Chamber. I understand it is necessary when a horse is nominated that a name should be given to it, and I understand the name of this sorry nag is "Political Deceit." It is also required that a horse that is entered for a race should have a pedigree. I am going to announce the pedigree of "Political Deceit." It is by "Fanaticism" out of "Hypocrisy." If hon. members wish it, they can reverse the order and make it by "Hypocrisy" out of "Fanaticism."

Hon. J. Ewing: And where does the jockey come in?

Hon. A. J. H. SAW: The jockey will be bound to meet with a spill and the horse will not finish. It is being given its preliminary now.

Hon. J. W. Kirwan: What is its price?

Hon. A. J. H. SAW: One thousand to nothing.

Hon. J. Cornell: But the horse broke down in its box this morning.

Hon. H. A. Stephenson: And after this he will never stand another preparation.

Hon. A. J. H. SAW: So much for the question whether we should give leave to the Government to introduce "the sorry nag." As for the merits of the Bill I do not intend to discuss them. I merely wish to say that when I was standing for election three years ago I gave a pledge to my electors that I was not in favour of a bare majority and I certainly intend to honour that pledge. So long as that pledge stands, so long shall I oppose any Bill introduced here which seeks to enforce prohibition on the people by a simple majority.

Members: Hear, hear!

Hon. A. J. H. SAW: The reason I gave it at that time was that I did not want to see this country thrown into the same state of turmoil as America was in. The American fleet is now being used to enforce prohibition entirely because of the simple majority vote. It is perfectly impossible to carry prohibition independently of the question as to whether prohibition is the right system or not, and it is also impossible to carry it on a bare majority, whilst you cannot enforce it until you have a considerable predominance of public opinion behind you. I have no desire to see the Australian fleet engaged in the work that a portion of the American fleet is doing.

Hon. J. W. Kirwan: It would provide work for the State steamers.

Hon. A. J. H. SAW: I have no desire to see the fleet or the Australian army employed to prevent the importation of alcohol from overseas. I have no wish to see the Australian army lining the Western Australian frontiers to prevent liquor being brought into the country. For that reason I am not going to vote for any Bill that provides for a simple majority. Again, I have no wish to see the people of this State poisoned by wood alcohol. Only this morning I saw published a statement that 20 people in New York had been poisoned by wood alcohol, and the paper said that some high official administering the Act in New York declared that the reason was that good liquor was not obtainable. I trust that members will, for the reason I have given,—political morality—throw out the Bill at this stage. Some members may be exercised in their minds as to whether it would be wise to throw it out now rather than at the second reading. I intend to vote against it now, and if necessary at the second reading, and again at the third reading.

Hon. J. EWING (South-West) [3.45]: I do not like to give a silent vote on this question. I regret the position in which the Minister finds himself, a position in which no Minister would desire to be. At one time I was inclined to vote for the motion, but after the speeches delivered I am afraid I cannot do so. The Bill contains a provision—

The PRESIDENT: The hon. member must not refer to the Bill. The Bill has not been circulated, and other members cannot reply to him. The debate is as to the expediency or otherwise of introducing the Bill.

Hon. J. EWING: The chief reason why I shall vote against the Minister's motion is that the Bill contains provision for compulsory voting. My Bill for compulsory voting was decisively defeated in this Chamber, and therefore I see no chance of the Government carrying the present Bill. The compulsory voting provision will kill the measure. I am prepared to abide by the decision of the House, which I regard as the consensus of opinion of hon. members; and I would not dream of reintroducing my Bill until I was convinced that there had been a change of opinion.

Hon. J. J. Holmes: There can be a referendum without compulsory voting.

Hon. J. EWING: I am in the same position as Dr. Saw. I do not care very much whether I vote the Bill out now or later on. I should certainly vote against the second reading. Perhaps it is just as well to let the Bill go out now, and thus save the time of the House. The Bill is political propaganda, and places this Chamber in a false position. The measure should have originated in another place. Hon. members say this is the last day of the session.

Hon. H. Stewart: The last day before the adjournment.

Hon. J. EWING: If there is going to be an adjournment over the holidays, the session will go on for another three months, and hon. members will have ample time to discuss this Bill. However, I feel that it would only conduce towards waste of time if I were to cast my vote in any direction except against the Minister's motion. The second reading of the Bill would only provoke an interminable and utterly useless debate.

Hon. J. M. MACFARLANE (Metropolitan) [3.50]: I am quite in accord with what has been expressed by previous speakers. The question of precedent has been mentioned. Now, in "Hansard" for 1921-22, on page 2859, I find a division on a motion for leave to introduce a Bill; and it may be interesting to hon. members generally to know that the Labour Party voted against the motion. The names include the names of Mr. Baglin, Mr. Cunningham, Mr. Hickey, Mr. Moore, and Mr. Panton. That is a clear precedent for the action I propose to take to-day, though originally I had some doubt on the subject.

Hon. E. H. HARRIS (North-East) [3.51]: The Minister's motion is for leave to introduce a Bill to amend the Licensing Act. Every member who was present will recollect what a controversial measure last session's Bill amending the licensing laws proved to be. This House is known as the House of review, a house to review hasty legislation. The Bill in respect of which leave to introduce is asked deals with compulsory voting and the question of majority, matters of vital importance to another place. This would be the proper House to review such legislation. I shall vote against the introduction of the measure.

Hon. J. E. DODD (South) [3.52]: As one who has consistently voted for a bare majority in connection with this legislation, I wish to give my reasons for voting against the introduction of the Bill. To my mind it is almost a farce to introduce such a Bill at this stage of the session; and to tack on to it compulsory voting makes it all the worse. Compulsory voting is a complete innovation in this country. I believe this is the only House which has had an opportunity of expressing an opinion on the subject. That opinion was decidedly adverse. The kindest thing we can do to the Leader of the House is to vote against his motion. I am not going to say anything about prohibition on this occasion. The sentiment voiced by a section of the temperance party during the last election, that those who sought a simple majority represented all the moral forces of the community, is a sentiment I cannot subscribe to or endorse for one moment. To issue a manifesto stating that because a certain section of the people

favour the simple majority they represent all the moral part of the community, is distinctly wrong. The difference between a three-fifths majority and a simple majority does not represent all the morality and all the virtues. There are quite a number of other things to be taken into consideration. I am one who has always supported temperance legislation, and will do it again. If the Government introduce a Bill of this kind in a future session, and I am alive and here, I will support it; but I will not be so narrow minded or bigoted as to declare that those who vote for a three-fifths majority are without morality. The position is absurd, and hardly requires refutation. I shall vote against the introduction of the Bill, on the ground that we have not time to discuss it.

Hon. A. BURVILL (South-East) [3.55]: I do not intend to give a silent vote. Without entering into the question of prohibition, or a three-fifths majority, or a bare majority, I say that the procedure of the Government in introducing the Bill here is wrong. It is not the most straightforward or honourable course. They could easily have introduced the measure in another Chamber. I must vote against the Minister's motion.

Hon. V. HAMERSLEY (East) [3.56]: I shall vote in favour of the Minister's motion and I appeal to hon. members to give the Government now and at all times at least an opportunity to introduce their measures. To refuse leave to a Minister is, I think, to act wrongly. It was done on one occasion, the only occasion on which I have known it to be done. I then voted with the Minister. I do not favour this measure, and am prepared to vote against it at any other stage; but I think we should show the respect due to our Leader. The duties of the Leader of the Council are at all times very difficult. I hope a sufficient number of members will vote with Mr. Drew to give him an opportunity to bring his Bill before the House, so that it may receive whatever consideration can be given it during the time at our disposal. On the previous occasion Mr. Colebatch, who then led the Council, said, "Let us at least give the measure all the time there is for its consideration." I make a similar appeal to hon. members now.

Hon. J. NICHOLSON (Metropolitan) [3.58]: After the chorus of opposition to which we have listened, the Minister must feel encouraged by the support accorded to him so openly by Mr. Hamersley. I do not intend to adopt Mr. Hamersley's suggestion. After mature consideration, and following what I stated when the suspension of the Standing Orders was moved, I shall oppose the introduction into this Chamber of any fresh legislation; that is to say, any legislation initiated here. I do so for the reasons advanced by other members, namely, that

we have on our Notice Paper a list of highly important measures which undoubtedly will occupy every moment that remains of the current session. Of course, if it is intended to carry over the session after the New Year, there will be ample time. But even then the House will be doing justice to the Government by voting against the present motion, because we shall be enabling the Government to carry out their pledge in connection with the introduction of the Bill. We shall enable them to introduce the measure in another Chamber, where undoubtedly it should originate. Why in all the wide world the Government seek to bring forward a Bill of this character at the eleventh hour, I fail to understand, particularly when we have on the Notice Paper so many important measures. First we have to consider the Assembly's disagreement with certain amendments made by this House in the Closer Settlement Bill. So too, in respect of our amendments in the Inspection of Scaffolding Bill. Then we have still the Committee stage of that highly important measure, the Land and Income Tax Assessment Bill. Also there is the Dividend Duties Bill to be dealt with. And we have another contentious measure, which the Minister said he would not bring down, namely, the Main Roads Bill. However, in all probability the Minister will not desire to go any further with that this session, but will leave it as a carry-over. Another contentious measure awaits us in the Fair Rents Bill. When we consider all this important business, which rightly takes precedence of a Bill yet to be introduced, it is seen that we should be wanting in our duty if we gave the leave now asked. I would not readily refuse assistance to the Minister, but when in the existing circumstances it is proposed to introduce this Bill I say we have no option but to refuse leave.

Hon. H. A. STEPHENSON (Metropolitan-Suburban) [4.1]: I am satisfied that this is what might be termed in racing parlance, a starting price job. Unfortunately for the Government the ramp has broken down. I will vote against the introduction of the Bill.

Hon. H. STEWART (South-East) [4.2]: Originally it was my intention to support the motion for permission to introduce this Bill in this Chamber. I am not a prohibitionist advocate, but I am a whole-hearted supporter and believer in temperance reform. However, my attitude on this Bill I laid down in the debate on the motion for the suspension of the Standing Orders, when I said that in my opinion it was pure camouflage on the part of the Government to have the Bill introduced in this House. Everybody knows that if it passed another place and were brought up here, it would have no hope of passing here.

Hon. J. Nicholson: I should not say that.

Hon. T. Moore: Then why ask to have it introduced in another place?

Hon. H. STEWART: I was here in 1922 when the last Licensing Bill was before the House and I know how the votes were cast. Probably there would be more support for the present Bill than was the case in 1922 when most of the Labour members voted against the Bill then before Parliament. Even if leave were given to introduce the Bill we are now discussing there is not the slightest chance of the Bill passing its second reading in this House and if, having originated here, it were rejected here, no opportunity would be given for a free expression of opinion in another place. I understand the Government gave a pledge to bring down the Bill, but certainly those who sought that assurance never dreamt that the Bill would be introduced in this Chamber. In the circumstances, without considering the merits of the Bill, I will vote against the motion for leave.

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

Ayes	6
Noes	16

Majority against .. 10

AYES.

Hon. J. M. Drew	Hon. J. W. Hickey
Hon. E. H. Gray	Hon. T. Moore
Hon. V. Hamersley	Hon. C. F. Baxter
	(Teller.)

NOES.

Hon. A. Burvill	Hon. A. Lovekin
Hon. J. Cornell	Hon. J. M. Macfarlane
Hon. J. E. Dodd	Hon. J. Nicholson
Hon. J. Duffell	Hon. A. J. H. Saw
Hon. J. A. Greig	Hon. H. Seddon
Hon. E. H. Harris	Hon. H. A. Stephenson
Hon. J. J. Holmes	Hon. H. Stewart
Hon. J. W. Kirwan	Hon. J. Ewing
	(Teller.)

PAIR.

AYES.	NOES.
Hon. J. R. Brown	Hon. C. F. Baxter

Question thus negatived; leave refused.

BILL—FORESTS ACT AMENDMENT.

Message received from the Assembly, notifying that it no longer disagreed to the amendment made by the Council.

BILL—TRAFFIC ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL—CLOSER SETTLEMENT.

Assembly's Message.

A message having been received from the Assembly notifying that it had agreed to Nos. 1, 2, 4 to 8 (inclusive) 10, 15 to 19 (inclusive), 22, 25 to 28 (inclusive), and 30 of the amendments made by the Council in the Bill; but had disagreed to Nos. 3, 9, 11 to 14 (inclusive), 20, 21, 23, 24, 29, 31 to 33 (inclusive), the message was now considered.

In Committees.

Hon. J. W. Kirwan in the Chair; the Colonial Secretary in charge of the Bill.

No. 3. Clause 3, Subclause (1)—Insert at end the following words:—"Any portion of which is situated within 12 miles of an opened railway or the intended route of a proposed railway, the construction of which has been authorised by Parliament prior to the commencement of this Act."

The CHAIRMAN: The reason given by the Assembly for disagreeing to the amendment is that it would prevent land being resumed, even if a portion of an area is within 12 miles of a railway, and so make the Bill too restricted.

Hon. A. BURVILL: I do not agree with the reason. If any portion of a section of land was within 12 miles of a railway, it would come within the purview of the Act. The section of land might run back 20 or 30 miles. The amendment would allow of a tract of land 24 miles wide with a railway running through the centre.

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

At the same time I agree with Mr. Burvill's remarks.

Hon. A. LOVEKIN: It is obvious that the members of the Assembly have not understood the amendment, and I suggest that we insist upon it and thus give them an opportunity to reconsider it.

Question negatived; the Council's amendment insisted on.

No 9. Clause 9.—Add at the end of Subclause (1) the following:—Within one month after the service of such notice the owner or any person having any interest in the land whether legal or equitable may notify the Board in writing of his intention to appeal against the land being declared subject to this Act to the Appeal Board as hereinafter constituted. The Appeal Board referred to in this section shall consist of three members, one of whom shall be a Judge of the Supreme Court or Resident Magistrate, another shall be appointed by the Governor, and the third shall be appointed by mutual agreement between the owner and the person or persons having an interest in the land proposed to be acquired as legal or equitable mortgagees. In the event of no mutual agreement being arrived

at as to the appointment of the third within 14 days after the appointment by the Governor of the second member, the third member shall be appointed by the other two members.

The CHAIRMAN: The Assembly's reason for disagreeing is—"An inquiry being previously held by a board of qualified persons, another inquiry after the decision of the Governor-in-Council is unnecessary."

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. C. F. BAXTER: The reason given suggests that full consideration has not been given to the amendment. The amendment provides for an appeal and there is no question whatever of a second inquiry. How the Assembly arrived at their reason is beyond me.

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

Ayes	..	..	..	4
Noes	..	..	..	14
Majority against				10

AYES.

Hon. J. M. Drew	Hon. A. J. H. Saw
Hon. J. W. Hickey	Hon. T. Moore
	(Teller.)

NOES.

Hon. C. F. Baxter	Hon. J. J. Holmes
Hon. A. Burvill	Hon. A. Lovekin
Hon. J. E. Dodd	Hon. J. M. Macfarlane
Hon. J. Duffell	Hon. J. Nicholson
Hon. J. Ewing	Hon. H. A. Stephenson
Hon. V. Hamersley	Hon. H. Stewart
Hon. E. H. Harris	Hon. J. A. Greig
	(Teller.)

Question thus negatived; the Council's amendment insisted on.

No. 11. Clause 6, Subclause (3), paragraph (iii).—Strike out "from time to time as required by the board."

The CHAIRMAN: The Assembly's reason for disagreeing to the amendment is—"Prevents powers of board to have land disposed of."

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. A. LOVEKIN: If the board can dispose of land from time to time, how on earth can the elimination of "from time to time" prevent the board from disposing of the land?

Hon. H. STEWART: From the reason given, it appears that the Assembly has not looked into this amendment. The owner could be required to subdivide and put up his land for sale from time to time as required by the board; in other words, in piecemeal fashion. The amendment does not hamper the board in any way.

Hon. J. Nicholson: At what hour was this Bill considered by another place?

The CHAIRMAN: Such a question is out of order.

Question negatived; the Council's amendment insisted on.

No. 12. Clause 6, Subclause (3).—Add at the end of the subclause the following proviso: "Provided that the owner shall have the right of appeal to the Appeal Board in respect of the requirements of the board under paragraphs (ii) and (iii)."

The CHAIRMAN: The Assembly's reason for disagreeing to the amendment is that it is consequential on No. 9.

The COLONIAL SECRETARY: The objection to this amendment is that provision was made earlier for an appeal board, and this is providing for the appointment of another board of a similar kind. I move—

That the amendment be not insisted on.

Hon. H. STEWART: We decided it was reasonable that the owner should be able to appeal against the decision of the board regarding the subdivision and the prices. The amendment should be insisted upon.

Question negatived; the Council's amendment insisted on.

No. 13. Clause 6.—Add the following further proviso to Subclause (3): "Provided that if, within three months after the date when such land shall have been offered for sale as aforesaid, the owner shall fail to effect a sale of the whole of the said land, then the owner shall be entitled within three months after expiration of last-mentioned period to require the Minister administering this Act to purchase at the upset prices approved as aforesaid the said land or so much thereof as shall remain unsold or, alternatively, to require the Minister to discharge the unsold land from being subject to this Act, and the Minister shall repay to the owner all expenses incurred by the latter in connection with the subdivision and offering for sale of such unsold land."

The CHAIRMAN: The Assembly's reason for disagreeing to the amendment was "The subdivision of the land was the choice or decision of the owners and not the board."

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. J. NICHOLSON: The reason given by the Assembly is insufficient. Land may be either compulsorily resumed by the owner giving notice of subdivision, or by the Government being left to take it. If we do not insist upon this amendment the owner may be left with a lot of undesirable blocks on his hands.

Hon. A. BURVILL: This clause should have been cut out of the Bill, and the ordinary system of compulsory resumption em-

ployed. It would be unworkable for the Government and unsuitable for the owner.

Hon. V. HAMERSLEY: I fail to see why the Assembly should not agree to the amendment. The board would have forced the owner to subdivide and sell at certain prices, and he should be able to request the Government to take over the balance of the land.

Hon. J. J. HOLMES: There would be no necessity for the amendment if the owner had the right to reserve some portion of the land to himself, but the Bill does not make that reservation. The amendment is a fair and an equitable one.

Hon. T. MOORE: The clause will hamper the board. If the owner sells part of his estate to suit himself, and is left with the poorer part of it, he should not be able to compel the Government to take it over, but should accept the risk. The Government will fix the upset price but the owner can sell for what he can get.

Hon. H. Stewart: The Bill does not say that.

Hon. T. MOORE: Of course that is the position.

Hon. J. A. GREIG: It would have been better had the clause been struck out altogether. As it is, the owner has the right to sell his land, not at the upset prices fixed, but for as much as he can get. The Government can protect themselves by valuing the poor land at a fairly low figure and the better land at a higher valuation.

Hon. J. J. HOLMES: The owner must secure the permission of the board to subdivide his land. In the subdivision of the estate the whole of the sheds and other buildings necessary for a 10,000 or 20,000-acre proposition may be on one block. That block will be left on the owner's hands and all those buildings will be of no use to him.

Hon. A. BURVILL: Would it be in order to move for the deletion of all the clauses that give the owner the right to cut up his land and sell it?

The CHAIRMAN: It is competent for any member of the Committee to move a new amendment to the Bill in place of an amendment not agreed to, or to propose an amendment as an alternative to one with which another place has disagreed.

Hon. A. BURVILL: Then I move an amendment—

That Subclauses 2 and 3 of Clause 6, in the original Bill, be struck out.

The CHAIRMAN: I hope hon. members, if they desire to move amendments consequent upon the rejection of an amendment made earlier by the Committee, or as an alternative to the Committee's own amendment, will have their amendments written out beforehand and so prevent the delays that arise in putting them into proper form.

The COLONIAL SECRETARY: I did

not intend to speak on this matter because it has been discussed ad nauseam. Mr. Burvill's proposal, however, suggests a start to redraft the Bill on different principles altogether. The principle embodied in the subclauses permeates the whole Bill, and other clauses will have to be redrafted if the subclauses be struck out.

Hon. J. J. HOLMES: I urge Mr. Burvill not to proceed with his amendment. It would have been all right in the early stages of the consideration of the Bill, but at the present stage it will lead to further complications.

Hon. A. BURVILL: I will not press my amendment. It seemed to me that we had reached a dead-end and I thought my proposal would be an easy way of overcoming the difficulty. I will withdraw the amendment.

Amendment by leave withdrawn.

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

Ayes	..	..	..	..	8
Noes	..	..	..	..	11

Majority against 3

AYES.

Hon. A. Burvill	Hon. J. W. Hickey
Hon. J. E. Dodd	Hon. T. Moore
Hon. J. M. Drew	Hon. A. J. H. Saw
Hon. E. H. Gray	Hon. J. Cornell
	(Teller.)

NOES

Hon. J. Duffell	Hon. J. Nicholson
Hon. J. Ewing	Hon. H. Seddon
Hon. J. A. Greig	Hon. H. A. Stephenson
Hon. V. Hamersley	Hon. H. Stewart
Hon. E. H. Harris	Hon. J. M. Macfarlane
Hon. J. J. Holmes	(Teller.)

Question thus negatived; the Council's amendment insisted upon.

No. 14. Clause 6, Subclause 4.—Strike out this subclause:

The CHAIRMAN: The reason given by the Assembly for disagreeing to the Council's amendment was that it was essential that the clause should remain in the Bill in view of the addition to Clause 6.

The COLONIAL SECRETARY: We have already agreed to amendments preceding this subclause and it is essential that they should be retained. I move—

That the amendment be not insisted on.

Question passed; the Council's amendment not insisted on.

No. 20. Clause 7, Subclause (2).—Insert at the beginning of paragraph (b) the following:—"The estate and interest of every person holding or entitled to any mortgage, charge, or security over such land shall be converted into a claim against the Crown for repayment forthwith of the amount of all moneys due or payable under or secured by

such mortgage, charge, or security, the interest thereunder to be computed to date of repayment of the principal and other moneys thereby secured and."

The CHAIRMAN: The reason given for not agreeing to the Council's amendment is "That the amendment makes it possible to provide for a payment of an amount in excess of the value of the land."

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. J. J. HOLMES: This amendment was made to protect the first mortgagees. We could amend it in some way to provide that in no case the Government should pay more than the value agreed upon.

The COLONIAL SECRETARY: The position that could arise is that a man could mortgage his estate for £5,000, the value being perhaps £7,000, and he could give a second mortgage to his wife, and before the Government could resume, they would have to pay off both the first and the second mortgages.

Hon. J. J. HOLMES: We must protect the first mortgagees who provides the money and we must also protect the Government from paying anything more than the actual value of the land. If we added a proviso to protect the Government, that would meet the case.

Hon. J. NICHOLSON: I suggest that we can overcome the difficulty by amending the clause that the Assembly has refused to accept. It could be made to read:—

The estate and interest of every person holding or entitled to any mortgage, charge or security over such land shall, "to the extent of the compensation money to be paid for such land and in accordance with the respective priorities of such persons" be converted into a claim against the Crown for repayment forthwith of the amount of all moneys due or payable. . . .

The words appearing between the inverted commas are those that I suggest should be added. Compensation has to be paid, and if it must be paid what we want to do is to limit the amount of the mortgagee's claim to the land, to the compensation paid. If we do that we safeguard the Crown, otherwise it will be like giving an open cheque, which is the position now.

The COLONIAL SECRETARY: I will withdraw my amendment in favour of the amendment suggested by Mr. Nicholson.

Hon. J. NICHOLSON: I move an amendment—

That the amendment to Clause 7 which the Assembly has declined to agree to, be amended by adding the following words after "shall" in line 5:—"To the extent of the compensation money to be paid for such land and in accordance with the respective priorities of any such person."

Amendment passed; the Council's amendment, as amended, insisted on.

No. 21. Clause 7, Subclause 2, paragraph (b).—In the first line of the paragraph insert "other" before "person."

The CHAIRMAN: The reason given for not agreeing to the amendment is that "the clause provides for every person."

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

If members read the subclause carefully, they will see that the word "other" is superfluous.

Hon. J. NICHOLSON: The Minister is mistaken; the amendment should be insisted on. Another place has overlooked the necessity for inserting "other."

The CHAIRMAN: The Bill with which the Legislative Assembly is dealing is the original Bill, and in the original Bill, in the first line of the paragraph, "other" was inserted, but previously several other words had been inserted in the form of an amendment moved by Mr. Nicholson.

Hon. J. CORNELL: I have compared the two Bills, and I fail to see how "other" could have been inserted in the first line.

Hon. J. J. HOLMES: Boiled down, the position is this, that confusion has arisen owing to the appearance of the amendment on the Notice Paper. The word "other" is quite in order where it appears.

Question negatived; the Council's amendment insisted on.

No. 23. Clause 7, Subclause 3 (paragraph (a)).—After "land" insert "increased by 10 per cent."

The CHAIRMAN: The reason given by the Assembly for disagreeing with the Council's amendment is that as the land resumed under the Bill would not have been reasonably utilised only the value of the land and improvements should be paid for.

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. H. STEWART: It is of no use going over the ground again. The Committee passed the amendment by a substantial majority, and the Minister seemed to regard it as a fair proposition. The provision is taken from New Zealand, where it is permanently established.

Hon. J. J. HOLMES: Surely it is equitable to take the unimproved value plus 10 per cent., and pay only actual value for improvements.

The COLONIAL SECRETARY: In the first place it is 10 per cent. on the unimproved value, with fair value of improvements added, and on top of all, 2 per cent.

Hon. J. NICHOLSON: That is not very much. It is quite a common thing to add 2 per cent. to the total value. So this is a very moderate proposal.

Hon. V. HAMERSLEY: It is a reasonable provision. In any business there is a certain amount allowed for goodwill. This 10 per cent. can be taken as goodwill.

Hon. H. STEWART: If the Council insists on its amendment, and if the Bill goes to a conference, the managers will be quite prepared to accept this proposal. If this provision be not in the Bill the owner of the land, on going to arbitration, might easily get 10 per cent. on the total value of his property.

Question negatived; the Council's amendment insisted on.

No. 24. Clause 7, Subclause 3.—Add a new paragraph to stand as (c), as follows:—(c) In every case there shall be added to the total amount of compensation payable under the foregoing provisions a sum equal to 2 per centum thereof by way of compensation for the compulsory taking of the said land, and by way of compensation for any loss or injury that may be suffered in consequence of such taking, whether in respect of the land so taken or in any other respect."

The CHAIRMAN: The reason given by the Assembly for not agreeing to the amendment is that, the land not being reasonably utilised, no compensation should be paid.

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. J. J. HOLMES: When an owner, having complied with all the conditions, has been disturbed, surely he is entitled to compensation?

Question negatived; the Council's amendment insisted on.

No. 29. Clause 10, Subclause (1).—Strike out the word after "Act" in line 1, and insert "comprises less than the whole of the owner's land situated within 10 miles of any boundary of the land taken and worked as one property with the land taken, the owner shall have the right to require the whole of such land to be taken."

The CHAIRMAN: The reason given by the Assembly for not agreeing to the amendment is as follows:—Do not consider land situated within 10 miles adjoining area.

Hon. J. Nicholson: What does it mean?

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. J. Nicholson: This is the amendment that Mr. Sayer drew at my request.

Hon. J. J. HOLMES: It was claimed that if we put in an amendment favoured by some of us the Government would not only be compelled to take other land in that particular locality, but would be compelled to take any land the property of the same owner in any part of the State. To get over the difficulty the amendment now before us was adopted. It is a very reasonable provision devised for the protection of the Government.

Question negatived; the Council's amendment insisted on.

No. 31. Clause 13. Strike out the following words in line 4:—"may on the recommendation of the board," and insert in lieu thereof the word "shall."

The CHAIRMAN: The Assembly's reason for refusing to agree to the amendment is:—Not usual to use the word "shall" when applied to the Governor.

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. H. STEWART: The word is so used in other legislation.

Hon. A. LOVEKIN: I do not think we ought to insist upon this amendment. When the Bill was going through I pointed out that we never say that the Governor "shall" do a thing.

Question passed; the Council's amendment not insisted upon.

No. 32. Clause 13. Add a new subclause to stand as Subclause (2), as follows:—" (2), When a notice is annulled, any claimant who would otherwise have been entitled to compensation shall be paid by the Minister, as the case may be, compensation for any actual damage done to the land, and such reasonable costs incurred to the date of the notice whereby the notice taking the land was annulled, to be agreed upon, or determined by the Court of Arbitration, or a judge."

The CHAIRMAN: The Assembly's reason for disagreeing is—"The land not being reasonably used, no compensation should be paid as the land was merely declared subject to the Act."

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. J. J. HOLMES: If the board take steps to bring land under the Act and the owner is put to expense as a result, and subsequently they find they want to get out of the proposal and leave the land with the owner, he should be reimbursed whatever he has expended in accordance with the wishes of the board.

Question negatived; the Council's amendment insisted on.

No. 33. Add a new clause to stand as Clause 11, as follows:—"11, No property which in the opinion of the board is used principally for the breeding of stud sheep, stud cattle, or stud horses for sale shall be declared subject to this Act."

The CHAIRMAN: The Assembly's reason for disagreeing is—"The board can only recommend land to be resumed if not reasonably used."

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. V. HAMERSLEY: Some people hold that land adjacent to railways and used for sheep is not being reasonably used; they argue that it should be devoted to wheat growing or dairying. Properties in the Eastern States where stud sheep have been bred for years have been subdivided, and sheep breeders throughout Australia find they cannot now get stock of the same strain. We do not know who the board will be, and they might claim that such land is not being put to reasonable use. However, I do not suggest that we further insist.

Question passed; the Council's amendment not insisted on.

Resolutions reported, and the report adopted.

A committee consisting of the Colonial Secretary and the Hons. J. Nicholson and J. J. Holmes drew up reasons for insisting on certain amendments.

Reasons adopted, and a message accordingly returned to the Assembly.

BILL—INSPECTION OF SCAFFOLDING.

Assembly's Message.

Message from the Assembly notifying that it disagreed to five amendments, and had agreed to one amendment subject to a modification, now considered.

In Committee.

Hon. J. W. Kirwan in the Chair; the Colonial Secretary in charge of the Bill.

No. 1. Clause 1—Delete Subclause (2):

Mr. CHAIRMAN: The Assembly's reason for disagreeing to amendments Nos. 1, 2 and 5 is—"It is necessary that the Act should apply to the whole of the State, and it will be put into operation in various centres as necessity arises."

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. A. LOVEKIN: Here again the reason is not sound because the Bill as it stands obviously could be applied to the whole of the State.

Hon. J. E. DODD: It is proposed to restrict the operation of the measure to the metropolitan area. Possibly large buildings will be erected just outside the boundaries and the Act should apply to them. This is not the only measure in which power is given to extend the operation to other parts of the State. The Factories Act could be extended to the North-West, but of course no Government would think of doing that.

Hon. A. LOVEKIN: I should like to meet the Government in this matter, but it is obvious that the Bill cannot apply beyond the metropolitan districts. It could not, for instance, be confined to a town like Northam where big buildings may be going up, but would have to be applied to the surrounding districts where the farmers may be erecting a haystack or some small building. We want the people in the country to be able to use their local timbers for scaffolding, and not be confined to the class of scaffolding required by the Bill. If it is found necessary subsequently to extend the operations of the Bill beyond the metropolitan area, the Government could bring down a measure for that purpose instead of extending the Act by proclamation.

Hon. J. A. GREIG: I hope the Committee will take up a firm stand. If they fail to do so the Bill can be applied to every well or haystack in the country.

Hon. E. H. Gray: Common sense will be used.

Hon. J. A. GREIG: I presume the hon. member means that the law would be winked at, as our gaming laws are winked at today. I would prefer to have the Bill thrown out.

The COLONIAL SECRETARY: The Government desire to be able to extend the operations of this Bill from time to time to the principal towns and ports in the State. At such places there would be available abundant scaffolding materials for building purposes.

Hon. V. HAMERSLEY: I hope the amendment will be insisted upon. Already there is a large number of machinery inspectors travelling about the country, and I doubt if their visits are of much advantage to the people compared with the inconvenience they cause. This Bill will add to the cost of building, and the cost of repairs, renovations, and additions to all premises. It should be tried in the metropolitan area first.

Hon. A. BURVILL: Practically half the population of the State lives within a few miles of the General Post Office, and it is a good beginning to confine the Bill to that area. The Government would be well advised to accept our amendment.

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

Ayes	..	..	..	5
Noes	..	..	..	12
Majority against				7

AYES.

Hon. J. M. Drew	Hon. J. W. Kirwan
Hon. E. H. Gray	Hon. T. Moore
Hon. J. W. Hickey	(Teller.)

NOMS.

Hon. J. Cornell	Hon. J. M. Macfarlane
Hon. J. A. Greig	Hon. J. Nicholson
Hon. V. Hamersley	Hon. A. J. H. Saw
Hon. E. H. Harris	Hon. H. A. Stephenson
Hon. J. J. Holmes	Hon. H. Stewart
Hon. A. Lovekin	Hon. H. Seddon

(Teller.)

Question thus negated; the Council's amendment insisted upon.

No. 2. Insert a new clause to stand as No. 2, as follows:—"This Act shall be in force and shall have effect only in the metropolitan area consisting of the following electoral provinces, namely, the Metropolitan Province, the Metropolitan-Suburban Province, and the West Province."

The CHAIRMAN: The reason given by the Assembly for disagreeing with the amendment is as follows:—"It is necessary that the Act should apply to the whole of the State, and it will be put into operation in various centres as necessity arises."

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Question negated; the Council's amendment insisted on.

Sitting suspended from 6.15 to 7.30 p.m.

No. 3. Clause 3.—Definition of "scaffolding": After the word "structure" in the first line, insert "exceeding 8 feet from the horizontal base":

The CHAIRMAN: The reason given by the Assembly for disagreeing with this amendment is that the regulations in the schedule of the Bill prescribe classes of scaffolding for different heights of buildings and so the limitation suggested is not necessary.

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. A. LOVEKIN: I think it would be well not to insist on the amendment. The reason given by the Assembly is a perfectly sound one.

Hon. J. DUFFELL: But it is the most important provision in the Bill.

Hon. A. LOVEKIN: It is quite correct to say that the different scaffoldings are all set out in the schedule.

Hon. J. DUFFELL: This is most important. The Bill of last session contained this very provision and it was agreed to by those who are now opposing it. It is in the legislation of the other States. The 8ft. limitation would permit of the ordinary villa being constructed without the expenses of scaffolding inspection. I hope the Committee will insist upon the amendment.

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

Ayes	..	..	..	..	8
Noes	..	..	..	..	12

Majority against .. 4

AYES.

Hon. J. Cornell	Hon. T. Moore
Hon. J. M. Drew	Hon. A. J. H. Saw
Hon. E. H. Gray	Hon. H. Seddon
Hon. J. W. Hickey	(Teller.)
Hon. A. Lovekin	

NOMS.

Hon. A. Burvill	Hon. J. M. Macfarlane
Hon. J. Duffell	Hon. J. Nicholson
Hon. J. Ewing	Hon. H. A. Stephenson
Hon. J. A. Greig	Hon. H. Stewart
Hon. V. Hamersley	Hon. H. J. Yelland
Hon. E. H. Harris	(Teller.)
Hon. J. J. Holmes	

Question thus negated; the Council's amendment insisted on.

No. 5. Clause 4, Subclause (1)—Delete paragraphs (b) and (c).

The CHAIRMAN: The reason given by the Assembly for not agreeing to this amendment is the same as that given for amendments No. 1 and 2, namely, that it is necessary the Act should apply to the whole of the State, and it will be put into operation in various centres as necessity arises.

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. J. CORNELL: The Committee has already insisted on amendments Nos. 1 and 2, and this No. 5 is consequential thereon.

Question negated; the Council's amendment insisted on.

No. 9. Clause 11, Subclause (3)—Delete "prescribed and his decision shall be final" in lines 7 and 8, and insert "set forth in this Act."

The CHAIRMAN: The reason given by the Assembly for not agreeing to this amendment is that the amendment provides that these disputes shall be settled in the manner set forth in this Act, and as there is no manner set forth in the Act the amendment is obviously unworkable.

The COLONIAL SECRETARY: I move—

That the amendment be not insisted on.

Hon. A. LOVEKIN: But the manner will be found set forth in Clause 14, where it is prescribed that the court may do this and may do that.

Hon. J. CORNELL: The clause certainly does prescribe the manner in which disputes shall be settled.

The Colonial Secretary: The manner is set forth in the regulations.

Hon. J. CORNELL: The amendment was made before the regulations were included in the Bill.

Question passed; the Council's amendment not insisted on.

No. 20. Clause 25.—Delete paragraphs (d) and (e).

Assembly's modification. Strike out the words "and (e)."

The COLONIAL SECRETARY: I move—

That the Assembly's modification be agreed to.

Question passed; the Assembly's modification agreed to.

Resolutions reported and the report adopted. The Colonial Secretary and the Hons. J. Duffell and J. Cornell drew up reasons for insisting on four amendments.

Reasons adopted.

BILL—LAND TAX AND INCOME TAX.

Assembly's Message.

Message from the Assembly notifying that it declined to make the amendments requested by the Council, now considered.

As to First Reading.

The COLONIAL SECRETARY: I move—

That the Bill be now read a first time.

Hon. A. LOVEKIN: I move an amendment—

That all the words after "That" be struck out and the following inserted in lieu: "the Council's requested amendments be pressed."

I thought the proper procedure would be for the Leader of the House to move that the amendments be no longer pressed and that the Bill be read a first time. He has ignored the Assembly's message and I am forced to move in the direction I have indicated.

The COLONIAL SECRETARY: If it will facilitate the business, I will withdraw my motion.

Motion by leave withdrawn.

Hon. A. LOVEKIN: I will withdraw my amendment and substitute the following motion:—

That the requests contained in message No. 36 be pressed.

This will have the effect of bringing about a conference between the two Houses.

Hon. T. MOORE: Are we in order? Will this bring about a conference, seeing that the amendments proposed apply to a Bill that has not been before the Chamber? In the circumstances I do not know how we can secure a conference. Under what Standing Order can we force a conference on business that has not been received by the House?

The PRESIDENT: Standing Order 225 governs the position.

Hon. A. LOVEKIN: We can request a conference at any stage.

Question passed; the Council's requested amendments pressed.

BILL—LAND AND INCOME TAX ASSESSMENT AMENDMENT.

In Committee.

Resumed from the 16th December, Hon. J. W. Kirwan in the Chair; the Colonial Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 2:

Hon. A. BURVILL: I move an amendment—

That after "except" in line 7 of Sub-clause 1 the following words be inserted: "Cash a allowance or bonus shares paid by a co-operative company or society to its shareholders as a rebate or discount on their trading."

The Federal Taxation Department make allowance, as provided in the amendment, in the case of co-operative companies subsidised by the Government. Some of these companies have paid bonuses in the form of fully paid-up shares, and some paid in cash. As an inducement for primary producers to confine their business to the co-operative movement, a rebate is made to them based on the actual turnover on goods purchase by them from the co-operative company and also on sales of certain products made by that co-operative company on their behalf. The co-operative company, to arrive at what proportion of the profits made during the year shall go towards providing for this promised rebate to its members, must first make a charge against those profits for provision for a certain percentage on the capital invested by its members. Then what is left over, after making provision for all contingencies in connection with the business of the co-operative company, as the directors of the company think fit, shall be appropriated in this direction. The amount so set aside by the directors as a rebate to its members is apportioned to those members in a ratio proportionate with the trading done with their co-operative company. A question was asked the Deputy Commissioner of Taxation under date the 5th September, 1924, with a view to ascertaining the position of co-operative company regarding this position. In the communication to the Commissioner of Taxation it was stated—

It is recognised that the actual amount of the rebate received by the members of a co-operative company or society is liable to taxation at the hands of the recipient. We ask you to give an opinion as to the

position of a co-operative company in regard to the assessment of profits where rebates of certain moneys are made out of purchases and business done by members of that co-operative company during the period of the assessment, and more particularly as to whether you consider a co-operative company is justly entitled to deduct from the balance appearing in the profit and loss account for the period under review, the total amount of rebate given to its members. The balance then will represent the actual profits of the co-operative company for that period and which shall be the assessable profits of such co-operative company.

In reply to that communication the Commissioner of Taxation wrote as follows:—

I desire to acknowledge the receipt of your letter of the 5th instant, and in reply advise you that the question raised has been decided by the Commissioner. His remarks are given hereunder: "There is another class of co-operative company which is formed for the purposes of purchasing all requirements for members for sale to the members subject to a rebate or discount upon the amount of the purchases made during the year by the member, if the company has any surplus revenue available for the purpose. The purchases are made under a written or implied contract that there shall be some rebate or discount if the results justify it. The company is entitled to deduct the rebate or discount in arriving at its taxable income."

I trust the Committee will agree to the amendment. The co-operative butter factory at Bunbury, for instance, pay a bonus in cash taking the form of 1d. per pound on butter fat. That has been going on for two years. It is not fair to tax that amount twice. I hope therefore the Committee will pass the amendments.

Hon. A. LOVEKIN: Whilst in accord with Mr. Burvill, I do not think he has gone far enough. One must look at the genesis of this proposal to see what is intended. The first subclause proposes to treat as income on which tax must be paid any dividend that may be in the shape of bonus shares issued by a company. Shares issued as bonuses are really capital. The tax has already been paid on the amount, but the amount has been put to reserve. When the time comes that there is no profit to distribute, the shares are distributed, and under the subclause of the Bill the tax Commissioner can come along and claim a second payment. The subclause has been put in for a purpose. In the Federal Act the same provision was inserted. Quite a number of cases came before the court, and the court held that those bonus shares were not income, but were capital, and therefore the Commissioner could not claim a second tax upon them. Here the Government are

going to try by legislation to get behind the decision of the court and make income out of what is capital and tax it a second time. In the case of Blott against the Commissioner of Inland Revenue, it was held by the Privy Council and by the High Court of Australia that shares distributed out of accumulative profits which had already paid tax, in the hands of the company, were not income in the hands of the shareholders. In the case of Webb against the Commissioner of Taxation, the High Court held that shares were not income for the reason that they were not severed from the capital of the company, and were not liberated to the shareholders as profits. The subclause is inserted in order to get over the decision of the court, and make the unfortunate shareholders of the company who had not received the cash but who had paid tax upon them through the company, pay twice. And they might be paying on shares worth something or perhaps nothing at all. That is not equitable. After the decisions of the courts it was provided that if a company has paid one rate of tax, the shareholder should not pay the same rate again. It is my intention to move to strike out this subclause, and if that course is followed Mr. Burvill's objection will be met, in that the deletion of the subclause will mean an application all round. If a vote is taken on the hon. member's amendment and it is carried, I shall subsequently ask the Committee to vote to strike out the subclause.

The COLONIAL SECRETARY: I have studied Mr. Burvill's amendment, and do not intend to offer any opposition to it.

Amendment put and passed.

Hon. A. LOVEKIN: I move an amendment—

That Subclause 1, as amended, be struck out.

Hon. J. NICHOLSON: I draw the attention of members to the definition in the clause that Mr. Lovelock desires to strike out. It is comprehensive and will include every possible form of distribution. There is already a comprehensive definition of "income" in the original Act. The proposal here simply sets at naught the decisions of our highest courts, including the Privy Council and the House of Lords, which have held, in very clear language, that where the dividends consist merely in a transfer from capital account, say the distribution of reserves, by the creation of shares representing the assets, that is not a dividend or income in the true sense of the word. And neither it is, because the shareholders do not receive one penny piece more than they would otherwise receive. All a shareholder receives in such circumstances is a piece of paper showing that he holds so many shares. The reserve becomes part of the capital of the company; and when the company in the ordinary course makes profits and pays divi-

dends, the shareholder is bound to pay duty on the dividends on those shares. Under this clause every shareholder in a company which distributed its reserves in this way, would be immediately liable to pay income tax on the shares. Obviously it is not reasonable to charge income tax on capital. I shall vote against the subclause.

The COLONIAL SECRETARY: The legal decisions to which Mr. Nicholson has alluded refer to particular statutes. Suppose a company had £100,000 available for distribution, and suppose the directors put their heads together and said, "Instead of paying this amount directly in the form of dividends, which would involve the payment of taxation, we will distribute it by way of shares." Then, 24 hours later, the shareholders could dispose of those shares and put the proceeds in their pockets. There have been such attempts to evade taxation, shares being created instead of dividends being distributed.

Hon. A. LOVEKIN: The company, to begin with, has paid the State its fair quota of taxation on the profits earned. The Colonial Secretary appears to think that because £1 shares are distributed, the shareholder can get £1 each for them, whereas the market value may be only a very few shillings. However, the State loses nothing, because the shareholder has to pay duty on dividends earned by the shares. The other way the State gets the tax twice. Take the case of shares utterly unsaleable on the market: the taxpayer comes along and says to the shareholder, "I want tax, not upon what you can get for the shares in the market, but on the face value of the shares." Very hard cases of the kind have occurred in this State, men being taxed to the extent of thousands of pounds in respect of shares when they did not possess thousands of pence. That is what the Taxation Department are trying to perpetuate here. They did it until the courts told them they could not do it any longer, and so we have this provision in the Bill.

Hon. J. J. HOLMES: Take the case of a company with a share capital of £50,000, which issues bonus shares for an additional £50,000. The company may get the cash for the shares, but half of the original shareholders' interest in the company is gone, because there are now 100,000 shares as against 50,000 originally, and so 100,000 shares will participate in the profits instead of only 50,000. Obviously, in such a case it is capital that is being transferred, and not profits.

Hon. E. H. HARRIS: From the memorandum prefixed to the Bill it is clear that one of the objects of this provision is to ensure that a taxpayer in receipt of dividends shall have the amount of the dividends added to the amount which he earns by personal exertion, and thus be taxed on a higher rate. A case is known where a

man by this means had his rate of tax made double what it should have been. That is manifestly unfair. I support Mr. Lovekin's amendment.

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

Ayes	..	..	..	12
Noes	..	..	..	5

Majority for .. 7

AYES.

Hon. J. Cornell	Hon. J. M. Macfarlane
Hon. J. A. Greig	Hon. J. Nicholson
Hon. V. Hamersley	Hon. A. J. H. Saw
Hon. E. H. Harris	Hon. H. A. Stephenson
Hon. J. J. Holmes	Hon. H. Stewart
Hon. A. Lovekin	Hon. H. Seddon

(Teller.)

NOES.

Hon. J. M. Drew	Hon. J. W. Kirwan
Hon. E. H. Gray	Hon. T. Moore
Hon. J. W. Hickey	

(Teller.)

Amendment thus passed.

Hon. A. LOVEKIN: Subclause 2 prescribes that the annual income of a dependant shall be less than £100. It does not seem to me right to limit a dependant in this country to £100. I have an amendment on the Notice Paper to increase the amount to £150, but on consideration I think I will leave it to the Minister to move, it being strictly in accordance with the policy of the Labour Government. Section 16 of the principal Act provides that an aged person may have an income from shares of £250 per annum and be exempt from taxation; but under the Bill, if that aged person derives his income from his sons and daughters, it must not exceed £100. The Government should raise this £100 to an amount approximating that provided for aged persons under Section 16 of the Act.

The COLONIAL SECRETARY: The effect of Mr. Lovekin's proposed amendment, raising the amount to £150, would be different from what he expects. There are many young men and young women who, to an extent, are maintained by their fathers. Those young people are earning, say, 50s. a week each. Take a family of four such young people. Under the proposed amendment, the father, providing he was merely boarding and lodging the four young people, would be able to claim a deduction of £40 for each of them, notwithstanding that they might be 20 or 22 years of age. That is what the Commissioner of Taxation informs me.

Hon. A. LOVEKIN: Really I can scarcely believe what the Minister has told us. How can a young person earning 50s. a week be claimed as a dependant? The claim would not be even considered! Under the clause

the tax-gatherer is trying to avoid allowing deductions to sons and daughters willing to contribute to the maintenance of aged parents; he is trying to see that they shall not get the miserable deduction of £40. Of course no father would be allowed any deduction whatever on the score of four healthy children earning money.

Hon. H. STEWART: This provision, like several others in the Bill, is essentially petty. It is difficult to conceive of a Commissioner of Taxation putting up such a contention as the Minister voiced here just now. It is a petty kind of provision to be in the Bill.

The COLONIAL SECRETARY: It is not the poorer sections of the people who are availing themselves of this provision; it is the well-to-do astute individuals, evading taxation. One has only to read the definition of "dependant" to see the necessity for tightening up precautions.

Hon. V. HAMERSLEY: I can hardly believe what the Minister has told us as coming from the Commissioner of Taxation, for I know personally the arbitrary manner in which the Taxation Commissioner will allow this and will not allow that. For instance, of my own experience I know that he will not allow the father of a family any of these deductions for children.

Hon. J. NICHOLSON: Under the State law you are entitled to it.

Hon. V. HAMERSLEY: Yes, but you do not get it. Many people are not permitted to make these deductions. While we have the opportunity, we should liberalise this provision.

Hon. H. STEWART: It is not the intention of the Legislature that what the Commissioner and the Minister say may be done shall be done. We know that the age of children for whom deductions are allowed is limited to 16 years; so whether a child be earning or not, if that child be over 16, no deduction is allowed. If a child is over 16 years of age, what right-thinking taxpayer would seek a deduction?

Hon. J. CORNELL: If a child is kept at school after the age of 16, the taxpayer can legitimately claim a deduction. That is already provided for in the Act. If a boy at work is permitted to retain all his earnings the parent has no right to claim a deduction for his keep.

Hon. T. MOORE: Members appear to overlook the fact that anyone earning over £100, if single, is liable to pay income tax. Therefore such a person can hardly be a dependant.

Hon. H. STEWART: Sufficient thought has not been given to this provision. There should be a definite restriction of the definition of dependant.

Hon. J. NICHOLSON: Why should the Commissioner seek to confine dependants to people resident in the State? We are in the Federation and we have the Commonwealth authorities collecting our tax, and surely a

taxpayer supporting a widowed mother, or a sick brother or sister, resident in another State, should be able to claim a deduction. If the Minister does not increase the amount to £150, I feel inclined to move to strike out the words "nor unless he resides in the State."

The COLONIAL SECRETARY: A taxpayer might claim that he had a dependant in America. How could he prove it?

Hon. A. LOVEKIN: He would have to prove it to the satisfaction of the Commissioner.

The COLONIAL SECRETARY: It is only common sense to restrict this provision to the State.

Hon. A. LOVEKIN: The taxgatherers try to gather in all they can, as we can realise from the miserable provisions in this Bill. We should try to be a little liberal. Although there may be some scoundrels robbing the Commissioner, he, in turn, sitches from a good many people. We had a girl in our employ to whom we gave an increase of 10s. a week. The mother was getting a pension in respect of a son killed in the war. Immediately the girl received the increase, the military authorities reduced the mother's pension by 17s. a week. That is an illustration of what these people do.

Hon. J. NICHOLSON: Under the principal Act "dependant" means a relative of the taxpayer by blood, marriage or adoption, towards whose maintenance he has contributed £26 during the year in which his taxable income was derived. Under that law the taxpayer would be allowed the deduction provided in Section 30. We should allow that to stand and strike out at the end of the clause the words, "nor unless he resides in the State."

Clause, as amended, put and passed.

Clause 3—agreed to.

Clause 4—Amendment of Section 11:

Hon. J. EWING: I move an amendment—

That all the words in lines 1 and 2 down to "paragraph" be struck out.

This is a serious matter, because it removes from the small man the exemptions of £50 and £250 respectively.

The COLONIAL SECRETARY: Nowhere in any part of Australia does such an exemption obtain.

Hon. H. Stewart: A larger one obtains in New Zealand.

The COLONIAL SECRETARY: When this legislation was sanctioned 17 years ago land was at a low value and any concession of this measure was a great help to the struggling farmers. Things have since changed, and I do not know that any of our farmers desire to retain the £250 land exemption. The land tax ought to be a great relief to the farmers, because three-quarters of it will be utilised to the benefit of the settlers in the outback country. I oppose the amendment.

Hon. H. STEWART: The striking out of the £250 exemption amounts to a tax on the farmer's capital. It is only fair that the exemption should be continued.

Hon. A. BURVILL: I am in favour of the £250 exemption. If a man buys a farm, the property is the means by which he earns his living, as is the case with a man who buys a business. The man who owns a farm, however, is penalised while the other is not. I do not see why the farmers should pay this extra tax. The removal of the exemption would amount to a class tax and greatly injure many small farmers.

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

Ayes	..	..	..	13
Noes	..	..	..	7
Majority for	..	..	..	6

AYES.

Hon. A. Burvill	Hon. J. M. Macfarlane
Hon. J. Duffell	Hon. J. Nicholson
Hon. J. Ewing	Hon. A. J. H. Saw
Hon. J. A. Greig	Hon. H. A. Stephenson
Hon. V. Hamersley	Hon. H. Stewart
Hon. J. J. Holmes	Hon. G. W. Miller
Hon. A. Lovekin	(Teller.)

NOES.

Hon. J. M. Drew	Hon. W. H. Kitson
Hon. E. H. Gray	Hon. H. Seddon
Hon. E. H. Harris	Hon. T. Moore
Hon. J. W. Hickey	(Teller.)

Amendment thus passed.

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

Ayes	..	..	..	7
Noes	..	..	..	13
Majority against	..	..	..	6

AYES.

Hon. J. M. Drew	Hon. W. H. Kitson
Hon. E. H. Gray	Hon. T. Moore
Hon. V. Hamersley	Hon. J. A. Greig
Hon. J. W. Hickey	(Teller.)

NOES.

Hon. A. Burvill	Hon. G. W. Miller
Hon. J. Duffell	Hon. J. Nicholson
Hon. J. Ewing	Hon. A. J. H. Saw
Hon. E. H. Harris	Hon. H. Seddon
Hon. J. J. Holmes	Hon. H. Stewart
Hon. A. Lovekin	Hon. H. A. Stephenson
Hon. J. M. Macfarlane	(Teller.)

Clause thus negatived.

Clause 5.—Amendment of Section 16.

Hon. A. LOVEKIN: Subclause (1) provides that if half a dozen people claim exemptions in respect of money paid for dependants there is no provision to permit the

department to say who should have the deduction. I move an amendment—

That at the end of Subclause (1) the following be inserted:—"In the case of more than one person claiming exemption under this proviso, the Commissioner shall decide which person is rightfully entitled to make the claim."

The Commissioner should have the right to decide which of the claimants was justly entitled to the deduction.

The Colonial Secretary: That is the intention, and I will accept the amendment.

Amendment put and passed.

Hon. A. LOVEKIN: Practically the same thing applies to Subclause (3). I move an amendment—

That the following be added to Subclause (3):—"Should any question arise as to the right of any person to any such deduction as aforesaid it shall be determined by the Commissioner."

The COLONIAL SECRETARY: I accept that amendment.

Amendment put and passed.

Hon. E. H. HARRIS: I would like a ruling as to whether or not Subclauses (5), (6), and (7) are consequential upon Subclause (1) of Clause 2 which has been deleted already.

The CHAIRMAN: I do not wish to treat as consequential any subclause that may not be regarded as such by the Leader of the House or any other member. I should like the Minister to state whether he regards Subclauses (5), (6), and (7) as consequential.

The COLONIAL SECRETARY: They are consequential.

The CHAIRMAN: Then those subclauses will be treated as consequential and will be deleted accordingly.

Hon. H. SEDDON: I move an amendment—

That in Subclause 8 after "company" the following be inserted:—"or mining syndicate or electric power company, 90 per cent. of whose output of current is supplied to gold mining tenements."

A mining syndicate may be subscribing towards the support of a show, and in those circumstances I think it should be entitled to consideration just the same as mining companies. As regards the electric power company, their existence depends upon the life of the gold mines.

Hon. J. NICHOLSON: I doubt whether those words can be included. The Dividend Duties Act deals only with companies and nothing is said about syndicates. A syndicate is an unlimited concern.

Hon. H. SEDDON: In view of what Mr. Nicholson has stated I shall ask leave to strike out of my amendment the words "mining syndicate." The existence of the

power company depends entirely upon the existence of the gold mines, and therefore should be entitled to the same consideration as the gold mining companies.

Hon. H. STEWART: I suggest that the inclusion of the firewood companies would be equally justifiable. I merely mention that as a parallel. Then there may be companies supplying stores, and so on, and they might claim the same privilege.

Hon. E. H. HARRIS: I suggest to Mr. Seddon that he withdraw his amendment because, as has been pointed out, firewood companies might prefer a similar claim seeing that they, too, depend upon the mines for their existence.

Hon. H. SEDDON: The firewood companies have had their capital returned long since, whereas the power company has not paid a dividend since its inception.

Hon. T. MOORE: I hope the Committee will reject the amendment, because it would be dangerous to pass it. Every effort is being made to help the mining industry, but we must not go too far.

Amendment put and negatived.

Hon. A. LOVEKIN: I move an amendment—

That the proviso to Subclause 8 be struck out.

It is contended that the Government are doing all sorts of things for mining, and are exempting the dividends paid by mining companies in order to bring about a revival of the industry. If we pass this Subsection as it is, the Commissioner of Taxation will be able to nullify the provisions relating to the exemption. The Commissioner, in effect, says "I do not tax them for dividends on mining; I only tax the income." Let me take the case of a man whose income is £3,000, made up of £1,500 from ordinary income and £1,500 representing dividends from a mining company. On £3,000 the rate of tax is 22.3d. in the pound. The present method of the Commissioner works out in this way—£3,000 at the rate of 22.3d. equals £320 11s. 3d. tax, less rebate of £1,500 at 1s. 5½d equals £107 16s. 3d., making the net tax payable £212 15s. He then takes the tax on £1,500 at 11.8d., which gives a tax of £84 16s. 3d., and this deducted from the £212 odd leaves a tax payable on the £1,500 dividend of £127 18s. 9d. Under the method now proposed it works out in this way—£1,500 at 22.3d.—the rate for £3,000—gives a tax of £160 5s. 7d., and this gives the taxpayer a relief of £52 9s. 5d., as compared with the present method of £212 15s. By this procedure the Commissioner nullifies the whole tax. He actually taxes people on the exempted income under this proposed subsection. This will be seen from the following figures:—A tax on £1,500 at 22.3d. equals £160 5s. 7d., and a tax on £1,500 at 11.8d. equals £84 16s. 3d., so that the tax payable on the exempt income is £75 9s. 4d.

Out of the tax at present payable on £1,500, derived from mining dividends, and amounting to £127 18s. 9d., the relief granted by this amendment is £52 9s. 5d., deducted from £127 18s. 9d., leaving a balance of tax payable on the exempt income of £75 9s. 4d. In this way the tax gatherer aims to get home on the taxpayer. Because the income is in all £3,000, he lifts the tax rate so much higher and makes it 22.3d. instead of 11.8d. He says, "I will tax you on your income of £1,500 at 22.3d. instead of at 11.8d." This is how he gets round the law. I am astonished that any Government should put up a proposal like this for the relief of mining, after boasting what they are going to do on behalf of it. It actually means that they give something with one hand and take it away with the other.

Hon. E. H. HARRIS: This proviso seeks to stultify what is already provided in the clause. Dividends from mining companies are not to be deemed profits until the capital is recouped, and yet they are to be added to the income that is earned from personal exertion. This altogether discounts the assistance that it is suggested will be given to the mining industry. Unquestionably the State Government have more to gain by assisting the industry than the Federal Government, which gives so much more by way of relief.

Hon. T. Moore: The Federal tariff is bleeding the industry all the time.

Hon. E. H. HARRIS: The amendment was put forward specially in the interests of the mining industry. A man may have £10,000 invested in a mine and may have a return of capital in the form of a £5,000 dividend in one particular year. He would then be £5,000 still out of pocket. If by personal exertion he earned £500 in that year, he would be taxed on a rate applicable to an income of £5,500, and it would cost him a good deal of what he earned to pay the tax. The proviso should be struck out.

Progress reported.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Assembly's Message.

Message received from the Assembly notifying the Council that it had agreed to Nos. 3, 15, 17, 18, 21 to 23, 28 to 32, inclusive, 40, 41, 42, 45, 50 and 56. of the amendments made by the Council; disagreed to Nos. 1, 2, 4 to 14 inclusive, 16, 19, 24 to 27 inclusive, 34 to 39 inclusive, 46 to 49 inclusive, 51 to 55 inclusive, and 57 and 58 for the reasons set forth in the schedule annexed, and had further amended Nos. 33 and 43 as shown in the schedule annexed, to which further amendments the Assembly desired the concurrence of the Council.

The COLONIAL SECRETARY: I move—

That the consideration of this message be made an Order of the Day for the next sitting of the House.

Hon. A. LOVEKIN (Metropolitan) [11.10]: The Government Printer, in the ordinary course, does not work on Saturday morning; and I will ask the Minister whether he will pay a little overtime in order to get the printing staff to work to-morrow, so that these amendments may be available on the Notice Paper early on Monday morning. We can hardly consider the amendments until we see them in print.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central—in reply [11.11]: The staff of the Government Printing Office have been working overtime for weeks past, and will be working overtime to-morrow. Arrangements will be made to have the printing of the Notice Paper completed as desired.

Question put and passed.

ADJOURNMENT—CLOSE OF SESSION.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [11.12]: I move—

That the House at its rising adjourn until Monday next at 11 a.m.

On the assurance of the Premier I desire to state that every effort will be made to close down by Tuesday. The Government cannot definitely undertake that such will be the case, but the present intention is that the session shall finish on Tuesday. My object in asking hon. members to meet on Monday at eleven o'clock is that we may be able to get through our work without undue haste and still be able to complete it on Tuesday at an earlier hour than usual at the close of a session. At all events, by meeting as proposed we shall be able to make considerable progress by ten o'clock at night.

Question put and passed.

PRESIDENT—LEAVE OF ABSENCE.

The PRESIDENT [11.13]: Before the adjournment is moved, I wish to ask hon. members for leave of absence on next Monday, Tuesday, and Wednesday on the ground of urgent private business.

Members: Hear, hear!

The PRESIDENT: I am compelled to do this because I hardly thought that the House, having sat on Friday, would adjourn to the following Monday. In the circumstances I made, for Monday next, arrange-

ments which it is impossible to cancel. Therefore I formally move—

That leave of absence for three consecutive sittings be granted to the President on the ground of urgent private business.

Question put and passed.

House adjourned at 11.14 p.m.

Legislative Assembly,

Friday, 19th December, 1924.

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The SPEAKER took the Chair at 3.0 p.m., and read prayers.

QUESTION—WHITE CITY, GAMBLING.

Mr. RICHARDSON (for Mr. Barnard) asked the Minister for Justice: 1, Is he aware that gambling is being carried on at the "White City"? 2, If so, will he inform the House by whose authority or permission this is being done? 3, Will he instruct the Commissioner of Police to enforce the law for the prohibition of gambling at "White City"?

The MINISTER FOR JUSTICE replied: 1, Certain methods have been adopted at "White City" for the purpose of obtaining funds for commendable purposes. 2, No objections have been raised by various successive Governments. 3, As the institution known as "White City" has been carried on with public approval and patronage, it is not intended to alter the existing conditions for the present.