

would pay the Government to supply power, and that could only be done when the costs of production were got down to .55d. at the power house. Then Mr. Ewing remarked to Mr. Scaddan, "In Tasmania they are generating electricity at .07d. per unit." In putting it that way the hon member did not grasp the fact that large blocks of power can be sold at even below the cost of production, if taken at the period when the load factor is low. Although the hydro-electric department of Tasmania can supply current at such a phenomenally low figure, it is done because the contract neutralises the load factor. The cost of production is possibly considerably above the .0735d. Mr. Scaddan replied to Mr. Ewing's observation, "Are they? I say they are not, or at anything like it." If they are selling it at .07d. they must be generating it very cheaply.

Hon. J. Ewing: Under .5d.

Hon. H. STEWART: Without knowing definitely what their cost of production is, the cost of generating hydro-electrically must be considerably lower than the cost of generating at the East Perth power house. The Tasmanian department is able to supply power at a very low figure to other than users of this particularly large quantity. The document from which I quoted the .0735d. per unit contains confidential matter, but I am prepared to show it to any member who is interested in the subject. I cannot lay it on the Table, because it would become public property. Page 62 of the select committee's report contains a schedule giving the charge for motive power from the Tasmanian hydro-electric scheme as 2d. per unit subject to discounts; there as discount of 75 per cent. when more than 1,500 units are consumed per quarter. That brings the cost down to .5d., but there are other discounts not mentioned in the stipulated statement. Note No. 3, on the tariff forwarded to me through the Premier of Tasmania, states that consumers exceeding 25 horse-power, and having four or more motors installed, may elect to be charged on the basis of horse-power or maximum demand, or on 70 per cent. of the total installed horse-power. There would, therefore, be a further reduction, bringing it down from .5d. to .35d. In view of the method and cost of generating in Tasmania, I would not feel justified in subscribing to paragraph (b), Clause 1, of the recommendations of the select committee to limit the prices to be charged so that they shall not exceed 1d. per unit for domestic and industrial power, and 5d. per unit for lighting purposes. The Tasmanian charge for private houses is 5d. for lighting, and 1d. for domestic power.

Hon. J. Ewing: They must be making a big profit.

Hon. H. STEWART: Considering all the circumstances, it would be imposing too stringent a restriction in view of the conditions prevailing in this State.

On motion by Hon. A. Lovekin, debate adjourned.

House adjourned at 10 p.m.

Legislative Assembly,

Wednesday, 6th December, 1922.

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The DEPUTY SPEAKER took the Chair at 2.30 p.m., and read prayers.

QUESTION—RAILWAYS, ADVISORY BOARD'S REPORTS.

Mr. JOHNSTON asked the Premier: Is it his intension to lay on the Table of the House the recent reports of the Railway Advisory Board on proposed new railways, particularly the one to serve the districts east of the Yilliminning-Kondinin railway?

The PREMIER replied: Yes. Papers herewith.

SELECT COMMITTEE—INDUSTRIES ASSISTANCE BOARD.

Report presented.

Hon. W. C. ANGWIN brought up the report of the select committee appointed to inquire into the operations of the Industries Assistance Board.

Report received and read, and ordered to be printed.

AUDITOR GENERAL'S REPORT.

The DEPUTY SPEAKER: I have received from the Auditor General, in pursuance of Section 53 of the Audit Act of 1904, the thirty-second report for the financial year ended the 30th June, 1922, which I now lay on the Table of the House.

Opposition members: Hear, hear!

Mr. Marshall: He has been speeded up.

BILL—BUSSELTON-MARGARET RIVER RAILWAY DEVIATION.

Second reading.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [2.52]: in moving the second reading said: This Bill is to authorise a deviation of the Busseulton-Margaret River railway. When the measure authorising construction was passed, the survey had not been completed, and the site which it was thought would be most suitable for the terminus was at the Margaret River, at the point of junction with the existing tramway to Flinders Bay. Millars line was acquired some years ago, and it was expected that the termination of that tramway would be the most suitable site for the station. As in all cases of railway construction, before the line was gone on with, further investigation and surveys were carried through, and it was found that a much improved route could be obtained by leaving the original tramway route north of the Margaret River, crossing the river further west, and junctioning with the Flinders Bay line about three miles south of the Margaret. The deviation will not only give a better site for the siding and station, but will effect a saving in length, which of course is desirable. The length is about $5\frac{1}{2}$ miles; the ruling grade will be one in 60, the sharpest curve 12 chains, and 45-lb. rail will be used. The improved line goes outside the limits of the deviation permitted by the original Act, and Parliamentary approval is required. I cannot state what the cost will be, but I think I am safe in saying there will be a saving, and I hope it will be considerable.

Hon. P. Collier: Will you keep down the percentage of administrative to capital cost as suggested in the Press this morning?

The MINISTER FOR WORKS: We shall keep down as far as we can.

Hon. P. Collier: There is a complaint in this morning's paper that the administrative cost is very high.

The MINISTER FOR WORKS: I am glad the hon. member has mentioned that. When I awoke this morning from the disturbed slumbers following last night's aggressive sitting, I read the article, and I can only wish that the gentleman who wrote it had as great a knowledge of his subject as he apparently has of using his pen. Most of us know that when building railways, houses, or even getting married, the preliminary expenses are very great. It is silly for anyone to contend that the initial expenditure in connection with such an undertaking as a railway can be gauged by percentages, even though they might be prepared by such an authority as the leader writer of the journal in question must be.

Hon. P. Collier: I thought he was a bit astray.

The MINISTER FOR WORKS: I am told that a man addicted to drink sometimes acquires the drug habit, and that the pre-

liminary expense there is also considerable, and not at all in ratio to the expense of the pleasure alleged to follow when the habit has been acquired. In penning the article in question, the writer should have drawn on his experiences in all quarters of life, and he would then have realised that the preliminary expenses cannot be kept down at the start in the same way as the average shows at the conclusion of a job. I have a map showing the route and the deviation. This will be laid on the Table for the consideration and guidance of members.

Hon. P. Collier: Does that show the deviation?

The MINISTER FOR WORKS: Yes; everything except the preliminary expenses.

Hon. P. Collier: Cannot you mark those figures on the map?

The MINISTER FOR WORKS: I would not be justified in spoiling the virgin innocence of the map by putting the figures on it. I hope members will give the Bill that kindly consideration they always give to measures which I bring before them. I move—

That the Bill be now read a second time.

On motion by Hon. P. Collier, debate adjourned.

BILL—ESPERANCE NORTHWARDS RAILWAY EXTENSION.

Second Reading.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [2.58] in moving the second reading said: I am sure this little Bill will receive the fullest consideration of members, especially on account of the unfortunate experiences suffered by the people in the district during the last few years when hope deferred not only made their hearts sick, but also emptied their pockets. There have been delays in the construction of the railway, but I think I can ask the House in its charity and goodness to pass the Bill so that these people may be happier than they have been for some time past. The proposed extension is six miles; the ruling grade will be one in 60, the sharpest curve 20 chains, and the rails to be used for some two miles will be second-hand 60-lb. rails from the Eastern railway relaying, and for the balance new 45-lb. rails. The estimated cost of the rails and fastenings is £28,000. The reason for the extension is to carry the head of the line to Salmon Gum, which is considered to be a better terminus from the settlers' point of view, and also because at this point there is an existing water supply which can be developed adequately for railway and local requirements. There is no suitable water supply at the terminal point of the present authorised line. The question was raised as to the necessity for this extension. It was considered that an ample water supply existed at the present terminus, the 60-mile. I have had this matter

thoroughly investigated. The Engineer-in-Chief has assured me that the present proposal is the most practicable and best way of dealing with the position. We can help the settlers by giving them this extra length of line, and save a certain amount of cartage for them, and at the same time help the railways by making available a good supply of water. Reference has also been made to the cost of administration, in consequence of the delays that have occurred in the construction of this line. A moment's reflection should show any unbiassed person, who makes no attempt to camouflage the truth by altering its appearance, that a railway passed several years ago, that was started and stopped again, and started and stopped once more after a lapse of time, must necessarily carry with it a large percentage of dead expense which cannot well be avoided. The criticism of the leader writer in the "West Australian" may show that he is keen as a critic and his remarks may have done a certain amount of service, but if he had applied to himself a little common sense, and extended a little of human charity, the explanation I have afforded to the House would have struck him and his generosity would have caused him to make use of it.

Hon. P. Collier: A well merited rebuke.

The MINISTER FOR WORKS: The article he wrote has certainly drawn attention to the railway, and invited the attention of hon. members. I have now explained why we want to make this extension, namely to assist those who have waited patiently for so many years for the line, as well as to give an adequate water supply to the Railway Department. I hope I have satisfied the House with this explanation, and that members will authorise the railway to be constructed. I have here a plan supporting the statements I have made, and I commend the Bill to the tender mercies and generous feelings of members. I move—

That the Bill be now read a second time.

Hon. T. WALKER (Kanowna) [3.3]: I sincerely regret that, an extension having been deemed necessary, it does not proceed to Norseman. It is an anomaly that this line should stop at Salmon Gums, that we are still leaving a considerable space between that place and Norseman. The line between Norseman and Coolgardie is not in full use. It connects Norseman as a mining centre with the other goldfields centres, with the Great Western Railway and with Perth. It should be linked up with our general network of State railways. Long ago it was proposed to connect Norseman with Esperance; that was the original intention. In view of the facts that have been made public, that this line will, when finished, in consequence of blunders that have been made, be very highly capitalised, and will take some considerable amount of traffic, and a fairly heavy freightage rate, to make it pay, it would be advisable to secure adequate means to make it pay by connecting

Esperance with Norseman. I have more than ordinary faith in the Esperance district. I know it will ultimately be one of our greatest wheat-growing centres. There is no part of the State, unless it be in the North-West, with which I am not familiar, where such an enormous area of land exists that is so uniform in quality and capacity. Experiments have shown that it will respond well to cultivation. Experts from other parts of the Commonwealth, who have seen the development of light lands elsewhere, and know what they can do, have expressed the opinion that this land is equal, as mallee country, to any other in the Commonwealth, and that it surpasses some of the like areas in South Australia and Victoria. The rainfall is more reliable, and falls at the proper season. True, in the past people have said, "Look what your crops have been; they do not justify a railway." Everyone knows that mallee country takes a little time before the land becomes sweetened sufficiently to respond to the utmost extent to cultivation. The settlers have not had proper facilities for farming in the Esperance-Northward district. It has been exceeding costly to get fertilisers upon the spot. Superphosphate is almost a necessity in the early stages of the cultivation of this class of land. Settlers have not been able to procure it owing to the cost of transport by rail or boat and then by wagon. Their agricultural implements have been limited owing to the cost of maintenance, repairs, and transit. They have been farming in the very rudest and crudest fashion in that district. In spite of that, fair results have been maintained and in some instances the results have been surprisingly good. As the land is sweetened from year to year the return is more satisfactory. It is only a matter of taking out the roots, sweetening the soil, and assisting nature with a little stimulus in the way of fertiliser, to give us an asset, the value of which will be incalculable. From the days when responsible government was first granted the proposal was to link up Esperance with the rest of the State railway system. When the proposal for a Norseman to Esperance railway came before this Chamber it was tabooed as unnecessary because it would not then be an agricultural railway. We were told that if we were satisfied with the railway for purely agricultural purposes, the Bill would be passed. That is why the Bill for a railway of the present length passed into law. We have to make this railway pay. The surest way of doing so and picking up the arrears consequent upon the delays, is to take the line right through to Norseman and link it up with the goldfields, the Great Western line and with Perth and Fremantle. It is unwise to allow the line to stop at this point. There should be no fallacy when picturing the future of Esperance. Its harbour is second to none. Had money been lavishly spent upon that part of our country, had there been the enterprise that Sir John Forrest originally proposed in regard to it, and had a few of the minor blunders, such as taking the

jetty out from the wrong place, been avoided, the harbour would have been full of ships to-day. It would link us more effectively with the Eastern States than any other port. We are a Commonwealth now, and the welfare of that port of Western Australia is indissolubly linked up with that of the whole Commonwealth. It should be linked up with our ports of Albany, Bunbury, and Fremantle. Eastward of Esperance there is much good country which could also be opened up. The development of Esperance would not only provide employment for our people, but create wealth for all who venture their capital in the business enterprises of the State. We have pursued a narrow, selfish and blind policy in respect to the development of this part of the State. From interested motives there has always been a cry against Esperance, possibly because of the facts to which I have alluded.

Mr. Piesse: It is past now.

Hon. T. WALKER: I am sure that we are broader in vision and less narrow-minded. For a long time a selfish view existed, because it was supposed Esperance would do some injury to Fremantle as a port and an injury to the goldfields market for the farmers. It was also thought it would be far easier to trade with Adelaide direct from Esperance than it would be to do so via Fremantle and the Great Western Railway. The experience of the world teaches us that the freer we make the paths of commerce, the easier we make the possibilities of exchange, the easier we make trade wherever trade may be localised, the freer from burdens all commercial undertakings of that character are, the more does the country progress. One cannot have a one-sided development. If we want Australia to become really flourishing, we must distribute the locale of enterprise; we must have it going on all over Australia. By widening the scope of commerce we not only employ those who are particularly involved in the special enterprise, but also a vast army who will be engaged in the course of transport and exchange. So we here in Perth are benefited by the prosperity of Esperance and the Esperance district.

Mr. Davies: It is a pity the Eastern States do not look on the proposed woollen mills in that light.

Hon. T. WALKER: I quite agree. That spirit which I am condemning is strong in the East. It is a pernicious spirit. It has hindered and retarded more than one country in Europe itself. It is doing the same thing here in Australia. That selfish, magnetic force which draws all the life blood of a country to one particular centre is really a drawback to national development, and we want to fight it. I want to fight it here. If we do fight it, we shall not stop this railway at one particular spot before it reaches Norseman.

Mr. Davies: What distance is that point away from Norseman?

Hon. T. WALKER: I forget the exact distance.

The Premier: About 65 miles from Norseman. This Bill will take the line about half way.

Hon. T. WALKER: Close upon half way. Where this railway stops, it is good country; but the country is good beyond that point. In fact, wheat can be grown right beyond Norseman approaching Kalgoorlie. Let hon. members bear in mind that we are now venturing out far beyond Southern Cross, and making the country right up to the very goldfields an agricultural area. As one goes south of that area and draws towards Esperance, one comes upon splendid country with an adequate rainfall for wheat growing purposes. We are plotting out a vast area of that country. But we are still causing people to come by rail from Fremantle to Norseman, and then to cart 20, 25, 30, and 40 miles into wheat growing country. Farmers cannot stand that. By carrying this railway further north we make possible the cultivation of a far larger area of land. At a time when we are getting immigrants from the Old Country, and expect to settle them, not exactly wholesale—which would perhaps be too strong a term—but in large numbers, we want land of this character. Let me tell hon. members that this land has a particular feature, in that it is, comparatively speaking, cheap to clear. In comparison with the cost of clearing land in the South-West, and even some portions of the Wheat Belt, the cost of clearing land for settlement in the Esperance district is trifling.

Mr. Davies: It would be better if that land had a little more timber.

Hon. T. WALKER: Quite so. Still, it is not entirely devoid of timber. South of Norseman there are vast belts of salmon gum. If we can only get the settlers to appreciate the value of preserving timber and utilising it instead of burning it, the day will come when splendid timber will not be destroyed in the course of clearing. For settlement this railway is absolutely required. By completing it we shall not only open up the country, and not only serve the actual settlers upon the Esperance soil, but also serve the goldfields people. Esperance is the natural port for the goldfields. I defy hon. members to tell me where there is a better holiday resort than Esperance, or one with a climate so mild, one so rich in natural beauties.

Mr. Corboy: Do not forget Hopetoun.

Hon. T. WALKER: Hopetoun is all right. We cannot develop Esperance without developing Hopetoun, and without closely connecting the whole of that fertile tract of country with the lands along the Great Southern and beyond Hopetoun and Ravensthorpe. Those districts must be linked up with the lands we have already under cultivation. It cannot be blocked; it is bound to come. Whilst as a private member I am not permitted to move an amendment that the railway be carried further north than the Bill proposes, most emphatically do I draw attention to the fact of this necessity. May I urge for further consideration that it is no fault of the Esperance lands or of the Esperance people, who have shown such whole-hearted faith in the possibilities of their district, and no fault of those

who have advocated the line, that that line has been so badly managed, stopped for political purposes, stopped on a false cry, and then delayed through the war and through the cost of materials, and also through—may I with deference add—a lack of interest in that part of the country because it is out of sight and so far away. I trust that amends will be made, that justice will be done to those who have been wronged, that these people will be restored to the enjoyment and fruition of the hopes which have been so repeatedly crushed and trampled on, and that the Government will at an early date bring in a measure to connect Norseman with Esperance.

Mr. PIESSE (Toodyay) [3.25]: Whilst congratulating the Esperance settlers on the introduction of this Bill, I may remind the Premier of a large and thriving settlement between the Dowerin route line and the Eastern goldfields railway, known as Yorkrakine and North Baandee. I would welcome a Bill to authorise the construction of a line to serve those settlers. However, I am pleased indeed to know that the Government propose to extend the Esperance line, for I realise that this is justified. I hope the day is not far distant when the Esperance line will be connected with the present State railway system, though not, as suggested by the member for Kanowna (Hon. T. Walker), through Norseman, but by a line running parallel to the coast and connecting Ravensthorpe with the Great Southern railway. There is a good belt of useful country there, with a reliable rainfall and good soil. Ultimately it will extend east of this line in the direction of Israelite Bay. The Esperance rainfall has this year been good enough to fill the dams. On the authority of one of the Agricultural Bank inspectors, I am able to state that out of 24 dams 22 are full—a fact showing that there is sufficient rain to fill dams when excavated.

Hon. P. Collier: That is better than many farming districts.

Mr. PIESSE: Yes. I lived five years and nine months at Esperance, and during that time the records I took showed a rainfall of about 23 inches. As to the rainfall further inland we have no records. The country to be served fully justifies the railway and I regret indeed that there has not been an official contradiction of a statement published in yesterday's "West Australian," a statement by some New Zealand visitor that the Esperance district is seriously afflicted with drought.

Mr. Corboy: That visitor must have been like the fellow who saw all the drunken young women in Perth.

Mr. PIESSE: That is the man.

The Minister for Works: He is not a man; he is only a thing.

Mr. PIESSE: I myself know of visitors from the East who have decided to settle in the Esperance district provided they can obtain a considerable holding there. I wel-

come this measure, and I regard its introduction as fully justified.

Mr. CORBOY (Yilgarn) [3.58]: I desire to add my protest to that of the member for Kanowna (Hon. T. Walker) against the apparent desire to delay the development of the South Coast country. In passing, I may mention that in the land selection room of the Lands Department I have observed prominently displayed, hand-painted posters, boosting the Esperance lands for wheat growing, and particularly stressing their merits to intending settlers. If the Government are genuine in their desire to settle the Esperance district, as indicated by the posters, they should take steps to demonstrate clearly that they intend to embark upon an adequate development policy along the South Coast.

The Minister for Agriculture: We are doing so.

Mr. CORBOY: The Government are not doing all that might be done.

The Minister for Agriculture: We are doing all that can be done at the moment.

Mr. CORBOY: The Government are not doing everything possible to assist in the agricultural development, at any rate, of that coast. Recently I returned from Ravensthorpe over the Nyabing track, and I can confirm, in regard to that portion of the South Coast, the statements of the member for Kanowna with regard to mallee country. There is undoubtedly an extensive belt of good mallee country throughout the length of the Nyabing-Ravensthorpe run; and I am informed by those who have gone beyond Ravensthorpe, to Esperance, that it continues in that direction.

Hon. T. Walker: It continues right through, and beyond.

Mr. CORBOY: That is an argument, as has been pointed out, in favour of building a line parallel with the coast, following the Nyabing-Pingrup extension through to Ravensthorpe. The best route would be from Pingrup through about 40 miles north of Ravensthorpe, towards Esperance, and it would be necessary to link up Ravensthorpe with that line. While that extensive belt of country is available, there is also a large area of first-class forest country around Ravensthorpe, portion of which is under cultivation to-day. I freely admit that not one-tenth of it is under cultivation to the fullest extent. The main reason for that is to be found in the heavy freight charges for transporting the produce away by boat.

The Premier: That matter cannot be discussed at this stage.

Mr. CORBOY: The whole question of the Government's land policy as applied to the southern coastal areas can be discussed, seeing that the line proposed is an agricultural railway for developing that part of the State.

The Premier: That is so.

Mr. CORBOY: The question of freights has undoubtedly hampered the development of those coastal areas. Recently we were successful in arranging for through bills of lading from the Ravensthorpe siding to Fremantle, via the State railways and steamers, which provided for the carriage of wheat at 10d. per bushel. Even at that rate, however, it is impossible to make the industry pay along that coast. I know of one farmer who grows 28 bushel crops. He is making a living, but he would do much better if he could get a freight rate such as is available over the ordinary railway lines. The Government should embark upon a more comprehensive scheme for the development of the coastal mallee belt running from Pingrup through to Esperance. They should not be content with a proposal for an extension of only six miles.

The Minister for Works: Is not an extension of six miles better than none at all?

Mr. CORBOY: It is a great deal.

Hon. T. Walker: Every step is a help.

Mr. CORBOY: I can promise the Minister my support every time he proposes an extension of even one mile, but I would urge him to undertake some more comprehensive scheme. I hope some notice will be taken of the statements made by hon. members regarding the splendid belt of country in this part of the State, and that more sympathetic consideration will be given to the classifications forwarded to the department by responsible officers. Apparently those classifications have not met with the approval of some of the higher placed officials.

The Minister for Works: Those officers have been placed there to exercise their own judgment. The office boy cannot rule the chief.

Mr. CORBOY: I quite appreciate that fact, but still, more favourable consideration could be given to these matters.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

BILL—LAND AND INCOME TAX ASSESSMENT AMENDMENT.

In Committee.

Resumed from 30th November. Mr. Munsie in the Chair; the Premier in charge of the Bill.

The CHAIRMAN: Progress was reported upon the following new clause moved by the Leader of the Opposition:—

A section is inserted in the principal Act as follows:—Special deduction. See Com. 1915-18, Sec. 19, 30a. (1) In the case of a person other than an absentee, there shall be deducted, in addition to the

sums set forth in the last preceding section, the sum of £200, less £1 for every £3 by which the income chargeable exceeds £200.

The PREMIER: I hope the Committee will not agree to the amendment. The Federal legislation has been amended recently, and considerable relief has been accorded the taxpayers whose taxable income is less than £259, or who have a total income of £350. It means that a man who has an assessable income of £256 and a taxable income of £134, pays £3 6s. 9d. as Federal taxation, and £3 2s. 8d. as State taxation. Under the amended Federal Act the man who has a taxable income of £134 and a total income of £256 will pay £1 11s. 6d., so that he has already received considerable benefit by reason of the alteration in the Federal Act.

Mr. Willcock: We follow that up by giving relief from State taxation.

The PREMIER: Some hon. members would wipe out all taxation.

Mr. Corboy: We simply wish to make it equitable.

The PREMIER: The amendment moved by the Leader of the Opposition is not on all fours with the Federal section, for their tax is much higher. We begin at 2d. in the pound.

Hon. P. Collier: It is on all fours regarding exemptions, but not as to the rate.

The PREMIER: Under the Federal Act the tax starts at 4.6d. as against our flat rate of 2d. up to £200, increasing from that figure by .006d.

Mr. McCallum: We might help you in that direction.

The PREMIER: I do not want the hon. member's help. Too many people think they should get all they ask for and pay for nothing. It cannot be done. If we are to spend money, we must receive money. If we are to have free education and maintain our charities and hospitals and so on, we must have revenue. The Federal Government have none of these free services to maintain.

Mr. Corboy: You give us a higher exemption and we will give you a higher rate.

The PREMIER: The hon. member would be willing to tax everyone except himself till the cows come home.

Mr. Corboy: I want to exempt the man on the bread line and make the man receiving a larger income pay more.

The PREMIER: In these days, everyone wants to escape taxation. At one time people did not mind paying their taxes, but to-day there is always something that they want cut out.

Mr. Corboy: You have killed the desire to pay taxation by being greedy.

Member: It has been overdone.

The PREMIER: I do not think the hon. member means a word of what he says.

Mr. McCallum: That is what the people are thinking.

The PREMIER: If the people were asked if they were willing to be relieved of all

taxation, they would be foolish if they did not answer in the affirmative. The Leader of the Opposition seeks in his amendment to relieve not only the man receiving £200, but also the man in receipt of £756.

Hon. P. Collier: The man getting £756 would have scarcely any relief under my proposal.

The PREMIER: He would have some relief.

Hon. P. Collier: It would amount to only a few pounds.

The PREMIER: It is suggested that we should adopt a system of taxation relieving everyone in receipt of £1 less than £800.

Mr. Corboy: You will get the same old crowd to beat this proposal, although they do not stop to hear your arguments. The same thing that happened last night is continuing to-day.

Mr. MacCallum Smith: Hon. members are knocked up.

The PREMIER: The hon. member believes that taxation should go by the board for those who have a taxable income of £200, and then that relief should be afforded to all others with a taxable income up to £800, where the exemption would be wiped out. To-day taxation starts at £100 for single persons, and there is exemption of £156 for married people, with a deduction of £40 for each child.

Mr. Chesson: A child cannot be kept for the £40.

The PREMIER: Of course not. It was never intended to relieve a man of the cost of maintaining his child. If we are to provide free services, the cost of those services must be met from taxation. A man with a taxable income of £259 would pay the Federal Government £7 6s. 3d. under the old system, and would pay the State £5 2s. 1d.

Hon. P. Collier: Your figures apply to the past.

The PREMIER: It is what he would have paid to the Federal Government until a little time ago. Under the amendment such a man would pay the State £2 3s. 4d., and under the new Federal Act would pay to the Federal Government £4 15s. 11d.

Hon. P. Collier: Your comparison is not fair. You are quoting what would be paid under my amendment, but are not quoting what would be paid under the amended Federal Act.

The PREMIER: Yes, I am. Under your amendment such a man would pay to the State and Federal Government £6 19s. 3d. as against the £12 8s. 4d. he would have paid previously. A man on £500 would have had to-day £15 8s. 2d. Federal tax and £9 3s. 4d. State tax, or a total of £24 11s. 6d.; whereas under the amendment he would pay £6 6s. 8d. to the State, while under the new Federal Act he would pay £11 10s. 3d., or a total of £17 16s. 11d. Of course, as the exemption is gradually wiped out, the difference is not so great. We once had an exemption of £200. That was altered to an exemption of up to £156. And beyond that £156 there is a deduction of £40 for each child, together with other de-

ductions, such as that for insurance. The amendment would compel me to forego £73,000 this year.

Hon. P. Collier: Is that what my amendment means?

The PREMIER: It is. I regret that I must ask the Committee to reject the proposed new clause. Our income tax amounts to £425,000 per annum, which is not much to take from an aggregate income of £15,000,000. Every penny of that tax is spent in rendering free services. Our responsibilities to the taxpayers are very much greater than are those of the Commonwealth, which provides no free services whatever. The amendment represents a very drastic change, the wiping off of £73,000 taxation. Our maximum tax is much higher than is the maximum in any other State. Here we have a maximum of 4s.; in Queensland it is 3s.; in New South Wales 2s.; in South Australia 1s. 10d., and in Victoria less than 1s. The maximum Federal tax, as we know, is very considerable.

Hon. P. Collier: I thought Queensland was weighed down with heavy taxation.

The PREMIER: There the maximum tax is 2s. I am as anxious to lighten the burden on the people as is the hon. member, but we have only 39,000 people paying income tax and, if the amendment were carried, about 20,000 of them would escape taxation altogether.

Mr. Corboy: They are all getting approximately £200.

The PREMIER: No, the hon. member knows better than that. Of course, many of them are young people without children, but the amount those people have to pay is very small. There are 100,000 able-bodied adults in the State, yet only 39,000 of them paid income tax last year. Very few men are working for less than £200 per annum. Many are exempt by reason of deductions added to the exemption of £156. Wages are very much higher than they were a few years ago.

Mr. McCallum: They are coming down.

The PREMIER: Still they are higher than they were in 1914. In 1914, 9s. a day was the ruling rate and it is certainly 4s. more than that now.

Mr. Chesson: A lot of those people have not got permanent employment.

The PREMIER: But they have pretty continuous work, though not under the one employer.

Mr. HUGHES: I cannot follow how the Premier arrives at the conclusion that the additional exemption will take away from the revenue £73,000. The figures in the Taxation Commissioner's report, page 16, show that those receiving a taxable income of less than £300 in 1920-21 numbered 23,000, and the amount of income tax collected from them was £54,000.

The Premier: It goes on.

Mr. HUGHES: Quite so, but I am dealing with the people who receive a taxable income of less than £300 per annum. If, as the Premier states, 20,000 additional people will be relieved of taxation, working on that av-

erage there would be £40,000 less revenue from that source. Taking 1921-22, the figures for which are certainly incomplete, 13,000 people paid approximately £30,000. Working on the same average, 20,000 people would be compelled to pay about £45,000. So it would appear from the figures of the last two years that the 20,000 people who would be exempted if the amendment were carried would account for between £40,000 and £45,000. I can only conclude that there must be some error in the figure of £73,000 supplied by the Premier.

The Premier: No, the men receiving £300 to £500 would be relieved to a greater extent than those receiving under £300.

Mr. HUGHES: But the income would be relieved only by the .006d. per £1 of increase. The amendment seeks to relieve those who are in receipt of a small income. Those in receipt of a large income could very well stand an increase in the rate of taxation. I shall discard the figures for 1921-22 because they are incomplete, but taking the two previous years the number of people who earned over £5,000 in 1919-20 was 71, and in 1920-21 it was 113. These figures disclose indisputably that the rich in Western Australia are getting richer and are increasing in number. There must be wonderful prosperity somewhere when the number of people earning over £100 a week can increase by 60 per cent. in the course of one year. A comparison of the increase in the number of those whose incomes are the lowest on the schedule is very illuminating. The number of people earning a taxable income between £101 and £200 per annum in 1919-20 was 14,073, and in the following year the number was 14,247, an increase of 1 per cent. The number of people whose income was between £2 and £4 per week increased by only 1 per cent., while the number of people whose income was over £100 per week increased by 60 per cent. That is a marked disparity. The number of people earning between £200 and £300 per annum in 1919-20 was 11,373 and in the following year 13,473, an increase of 19 per cent. While the number of people on the second rung of the ladder increased by 19 per cent., the number of people who got from the second topmost rung to the highest increased by 60 per cent. That is another marked disparity. Those on the bread line and at the bottom of the salary schedule cannot materially increase their income, but a big percentage of people on the second topmost rung were able to reach the highest rung. When we talk about increasing taxation, these are facts which should be taken into consideration. Do not they definitely prove that there are more people in the State to-day than previously who can afford to stand a higher income rate? The working class are getting no better off, and yet they are continually experiencing an increase in taxation and a decrease in exemption. The schedule of figures I have quoted contains sufficient logic to convince any impartial man that the time has arrived to revert to the £200 exemption. There is an interesting schedule on page 18

of the Commissioner's report. The incomes of people in various occupations have been classified and an average figure has been obtained for each calling. The lowest average income belongs to salary and wage-earners, whilst the highest belongs to the class known as merchants and manufacturers. There are two important features about the figures showing which particular occupation is the most lucrative. In 1920-21 merchants and manufacturers are shown as having received an average income of £1,687. This class of taxpayer must include those people engaged in the manufacture and distribution of the food and clothing supplies of the people. For their services they receive the highest average income of any particular calling. The second and more important fact to my mind is that in 1918-19 their average income was £1,463. In the following year it dropped to £1,183, but in 1920-21 that temporary decrease was recovered with a vengeance and the average worked out at £1,687, an income of 50 per cent.

Mr. McCallum: They merely deferred it.

Mr. HUGHES: It has been argued that, in order to keep the wheels of industry going, it is necessary that the workers' wages be reduced and their hours of service increased. These figures prove, not that the workers' wages should be decreased, but that the modicum of profits extracted by the captains of industry should be decreased, for the bottom dog has been unable to improve his position in the last three years. The man who is in receipt of a handsome salary has been enabled to increase it by 50 per cent., and the number of people receiving the highest incomes in the State has been increased by 60 per cent. That is sufficient to warrant the Committee in voting for the amendment of the Leader of the Opposition. The proposal for assessing the income tax provides that if a man is earning less than £7,766 per annum, his rate of tax shall increase by .006d. for every £1 he receives above £100, plus a basic tax of 2d. for the £100. A man in receipt of £3,883 a year would pay 24d. in the £1. If his income were £7,766 his rate of tax would be 48d. in the £1. The Bill says that once a man receives more than this last named figure the rate shall be fixed at 48d. in the £1. If it is logical to allow a man who is receiving less than that figure, a small deduction upon the 48d. rate, it should be logical to charge a man who is receiving £1 more an increase in the rate.

The Premier: We would have the lot in time.

Mr. HUGHES: I hope no individual in this State will ever have such a large income that he would have to pay 100 per cent. in taxation.

The Premier: I should like to see some of them.

Mr. HUGHES: If no exemption was provided a man receiving £15,432 per annum would be assessed at the rate of 94d. in the £1, and would only then be paying 8s. in the £1.

Mr. Johnston: There are the Federal taxes as well.

Mr. HUGHES: This is not logical. The Government are willing to exempt a man who is receiving more than £8,000 a year from any increase in the rate, but is not prepared to give the man who is receiving £4 a week any exemption. They give a substantial exemption to the wealthy and deny a reasonable exemption to the poorest in the community. That is the attitude the Government have always adopted towards the worker. Even if it cost the Government £40,000 a year they should give some relief to the worker. They could easily make it up by increasing the rate on higher incomes.

Mr. McCALLUM: The Premier might say how far he is prepared to meet the views of the Leader of the Opposition. I have frequently referred to the position of single servant girls. They are debited with 25s. a week for their board and lodging, which with their earnings of 15s. gives them a taxable income of over £100 a year. The Premier has not yet done anything to relieve that position. I do not say the Government are not entitled to the same amount of taxation they now receive, but the incidence of taxation is illogical and bears heavily upon one section of the community. A wage earner who is paying off his home has also to pay land tax, but the wealthy squatter and the farmer who secure their income from the land are exempt from one tax or the other.

Mr. Piesse: Sometimes the farmer pays three taxes, two to the Federal and one to the State Government.

Mr. McCALLUM: He does not pay the tax that the wage earner pays. The latter has to pay a tax on a wage which the Arbitration Court says is below the living wage. A man on £4 a week is not receiving more than a living wage.

The Premier: If his quiver is full he does not pay anything.

Mr. McCALLUM: It is not everyone who is able to get exemption on that ground. If the exemption were increased the size of the families might increase. I hope the Premier will not deny some relief to those on the lower rung. It has been admitted by the Commonwealth Parliament that some relief is necessary. Wages are being forced down and yet there is no commensurate relief from taxation. The Premier could make up the amount he requires by increasing the tax upon those who can best afford to bear it. Will the Premier not meet us in any way, even if he will not accept the full suggestion of the Leader of the Opposition. The Taxation Department appear to be a law unto themselves in that they can impose by regulations charges of which I do not think Parliament would approve. I do not think hon. members would agree to girls being taxed on money they have never received. It is only reasonable that the Premier should make some concession to the extent of exempting those in receipt of wages up to £150 and to

increase the rates of taxation for those receiving the higher grades of salaries.

Mr. WILLCOCK: The Leader of the Opposition indicated that he desired to make the State exemptions uniform with those imposed under the Federal Act. While the saving in clerical labour would not mean much to the Treasurer, still this relief would be a boon to those in receipt of the minimum rate of pay. It is time we gave some consideration to that section of the community. Hon. members often wonder how housewives can exist on less than £4 a week.

Mr. Wilson: Yet members vote against any relief for those people!

Mr. WILLCOCK: If the domestic economy practised by the housewife whose husband earns £4 a week, were practised by the Government, the deficit would disappear. It is a mystery to most people how the workers on the lower rates of pay manage to exist. What is regarded as a living wage is nothing more than that, for, in the event of the worker losing his employment, there is nothing on which to come or go. Whatever happens regarding the amendment, the Committee should take steps to put an end to the pernicious principle introduced by Mr. Robinson, when he was relieving the then Treasurer, Mr. Gardiner, under which a man who becomes liable for the payment of income tax, has to pay on the full amount. No such pernicious principle exists elsewhere and we should put an end to it here. The Opposition do not desire to decrease the taxation received by the Government, and we are willing to make it up in other directions.

Mr. Corboy: We will help the Premier to increase the incidence of taxation.

Mr. WILLCOCK: As the incomes increase, so the amount lost by reason of the extended exemption will be more than recouped. If the starting rate were doubled, it would not mean much to those in receipt of £200 or £300, but when the higher incomes were dealt with, it would prove beneficial to the State. Hon. members will agree that those who receive the larger salaries should pay an increased share of the burden of taxation, particularly when we bear in mind the financial position of the State. If a man received an income of £200, he would pay £2 3s. 4d. under the existing rate, but if the starting tax of .006d. were doubled, he would pay £2 13s. 4d., or a difference of only 10s. On £300 a man would pay £5 10s. instead of £4; on £400, £9 6s. 8d. instead of as at present £6 6s. 8d.; on £500 he would pay £14 3s. 0d. instead of £9 3s., and on £600, £20 instead of £12 10s. These calculations, of course, are without taking into account any exemptions. By increasing the rate as I suggest, it would mean that whereas now a man needs to have a salary of £7,766 before he reaches the maximum rate of taxation of 4s. in the pound, if the increased rate were agreed to he would reach the maximum rate of 4s. when he was in receipt of £4,000 a year. When a man is in receipt of £4,000 a year, he should contribute at the highest rate of taxation. If the Premier adopted some such scheme he would

be able to maintain his revenue from taxation by making those people pay who are able to do so, at the same time giving those who are in need of relief, the benefit. In any case, I trust the Committee will wipe out that pernicious principle of taxation inaugurated by Mr. Robinson.

Hon. P. COLLIER: I compliment the member for East Perth on the very lucid and illuminating speech he delivered to the Committee. His analysis of the figures contained in the annual report of the Commissioner of Taxation was informative and, I should think, will influence members to vote for the amendment. The Premier's objection to the amendment resolves itself into a refusal to give up the revenue involved, which he fixed at £73,000. Private members are not in a position to check the figures and, therefore, I accept the total as submitted by the Premier.

The Premier: That is the figure submitted to me.

Hon. P. COLLIER: The Premier has many ways in which he can recoup himself to that extent. It is the duty of the Committee to exempt from taxation that section of the community who are unable to contribute to the revenue of the State, be the sum ever so small. The Premier stated that a married man, because of the exemption of £40 for each child, might be in receipt of an income amounting to £200 a year, and yet be free from paying any taxation at all.

The Premier: Up to £300.

Hon. P. COLLIER: Very few in receipt of £300 would be exempt from taxation, unless there be a few more patriots like the member for Guildford; but such people I am sure are few and far between. As it is at present, the burden imposed on the householder who has a responsibility of maintaining a large family is hardly less light than on the man with a smaller family. A very small percentage increase in the rate of taxation, however, would recoup the Premier for any loss involved in the amendment. If the rate started at .007d. instead of .006d. in the pound and so on, the revenue lost by the increased exemption would be easily recouped. It would be simply a matter of working out the percentages. I agree with the Premier that it is necessary for revenue to be available in order that the services of the country may be carried on. The whole point of difference is in the method to be adopted in raising that revenue. If the amendment were carried the Premier could consider ways and means of recouping the amount lost. The figures disclosed by the member for East Perth gave an indication of from where the recoups can be derived. Those who have increased their salaries to the extent of 60 per cent. in the space of one 12 months surely should be able to recoup the Premier for the money lost by reason of the amendment, and so on right down through the various grades. The exemption is too low. Prior to the war it was £200, and that amount in those days, having regard to the purchasing power of the sovereign, would be easily equivalent to £300 now. Therefore, instead of reduc-

ing the exemption from £200 to £156 as was done a few years ago, we should have increased it in order to retain the previous basis. A considerable number of wage earners have found it very difficult to pay the tax, even though it be relatively small. It is not right that any householder struggling to live should have to deny his children a pair of boots or some essential article of clothing or diet in order to be able to hand over to the Treasurer taxation to the extent of £1, £1 10s. or £2. There are men whose income is such that they can enjoy all they require in the way of comfortable living, food and clothing, and pay the Treasurer all he asks. An extra £1 or £2 would mean little to those receiving £400 and upwards per year, and the loss sustained by carrying the amendment would be recouped to the Premier. In justice to a large section of the community the amendment should be agreed to, and I am sure members would be prepared to see that the Premier did not lose revenue. This is not a time to sacrifice revenue. The needs of the Treasury are increasing. We know how difficult it is for the Premier to finance the requirements of the State. I hope members will regard this as a long delayed measure of justice to a considerable section of wage-earners.

Mr. CHESSON: I hope the increased exemption will be agreed to. Any man in receipt of £200 or less should be exempt from income tax. For a married man the exemption is £156, but if he earns £1 or £2 over that amount, the exemption ceases. The amendment would bring the State into line with the Federal Act. Last year we were led to believe that there would be a general exemption of £156 for married men, but this has not proved to be the case. The member for South Fremantle has indicated how heavily the income tax bears on domestic servants. If a girl is receiving 15s. a week, her keep is calculated at an additional 25s. and she is compelled to pay taxation. It is our duty to relieve this section of the community, especially as the Federal Government have seen fit to make the exemption approximate somewhat the basic wage of £4 per week.

Mr. MARSHALL: I support the amendment. I cannot understand why the Premier should infer that members of the Opposition desire to block him from collecting the necessary taxation. I have no objection to his getting as much as he can, provided he does not interfere with the bread and butter of the people. We should show some humanitarianism in our legislation. It is the working people who make the nation.

The Premier: There is no other section in this country.

Mr. MARSHALL: The worker produces the wealth, and the more fortunate section of the community should be compelled to disgorge some of the wealth which they have acquired by unfair means. A £200 exemption would be quite low enough. It ought to be £400, because this is little enough for any individual with responsibilities to exist upon. If those who object to the £200 exemption were compelled to exist on that amount, they would

become the best red-raggers and agitators in the State. I am doubtful whether the Premier could live on £400 a year.

The Premier: I could get all the food I wanted for that.

[Mr. Stubbs took the Chair.]

Mr. MARSHALL: But there would not be much left for the purchase of wearing apparel. The Premier would have to revert to the conditions of the stone age. I agree that the Government receive comparatively little by way of taxation from the 15 millions of taxable income, but the impost should be levied on those receiving £1,600 per annum, to whom a few pounds more a year would make no difference at all. They would still be able to live in luxury, ride in their motor cars and exploit their employees. When the Prices Regulation Commission went out of existence, the incomes of those people who live on the produce and the worker, as the stickfast flea lives on poultry, increased by 60 per cent. There is no arbitration award for them; there is no industrial tribunal to regulate their income. They have a free hand to exploit the people, and yet the Premier objects to an amendment to relieve the section of the community who make the big incomes for those people. The impression that there is a general exemption of £156 is incorrect. The Premier stated that if a married person with two children was receiving £200 a year, he would be exempt. Such a person would be taxed on every penny of his income with the exception of the £80 in respect of the two children. As I said on the second reading, this Bill is nothing less than trickery and deception. I hope the amendment will be carried.

Mr. CORBOY: It is time a definite protest was entered against the continuous drain on the pockets of the people of the lower grade of wages and salaries, for the purpose of supplying the Government with money to spend in a manner which is not in the best interests of the country. Every year the State is going back. The revenue is increasing, but the expenditure is increasing at even a faster rate. It is time therefore that a definite stand was taken, and that we declared that no more would be paid in income tax by those on the lower grade, until such time as the Government demonstrated that they possessed the necessary ability to properly spend the money which they received. It is a wrong practice to adopt in connection with income taxation by which the exemption is totally lost, if the income exceeds the amount of the exemption. Take the case of a girl working in a tea room. If she earns £1 over £100 she must pay tax on the full amount of £101. If a married man earns £157, he too must pay tax on the whole amount, whereas the married man earning £155 escapes taxation altogether. The position is illogical and unjust. It is time we declared that we should make those best able to bear the burden pay for those on the lower grade. I have worked out some figures to show how the proposal, if carried out on the lines suggested by the Leader of the Opposition, would operate. A

person earning £600 per annum at the present time would pay £12 10s. By giving a definite and clear exemption of £200, and reducing the taxable amount to £400, but increasing the incidence in the calculation—.01 instead of .006—we find that the tax would then be £10, a reduction of £2 10s. At £700 the payment at the present rate would be £16 6s. 8d. By adopting the method I have outlined, it would be reduced to £14 11s. 8d. Then we come to the higher incomes. A man receiving an income of £1,000 at the present time is taxed to the extent of £30 16s. 8d. By adopting the method I have outlined, persons drawing this income would pay £33 6s. 8d. or an increase of £2 10s. From about £800 it starts to operate against the taxpayer, while below £800 it operates in favour of the taxpayer. Something should be done to relieve those in receipt of incomes below the £750 mark of a little of their taxation, and relieve altogether those in receipt of less than £200. I do not think the Premier with all his cheery optimism, will claim that a man receiving less than £4 a week is in a position to pay income tax without imposing a hardship on his home. We should start at the £750 mark to increase the tax, and we would gain from those people what we would lose from others who are receiving less. In this way justice would be done to a large section of the community who at the present time have to struggle to get a living.

Hon. W. C. ANGWIN: The Premier has declared in this House that every person should have a bread and butter exemption. The amendment moved by the Leader of the Opposition will barely give that bread and butter exemption, but it will have the tendency to bring the Assessment Act more into line with that of the Commonwealth. We have heard a lot about the difficulty in making up the return. The amendment will have the effect of bringing about uniformity in that direction. The exemption moved by the Leader of the Opposition will entirely wipe out the little pettifoggery, pinpricking matters affecting persons earning very small salaries. It cannot be held that we are endeavouring to reduce taxation on members.

The Premier: Yes; there is £3 difference on £400.

Hon. W. C. ANGWIN: We want the exemption for bread and butter, to use the words of the Premier himself.

The PREMIER: My views previously expressed in this connection were overruled.

Hon. W. C. Angwin: But we stuck to you all the time.

Mr. McCallum: Let the Premier get his view put into force now.

The PREMIER: The benefit on £400 a year is greater than that on £200 a year, or that on £256 a year. I want the Committee to realise, before the vote is taken, that the benefit from the new clause will accrue not only to the man on £200 a year, but also to the man on £800 a year.

Mr. Corboy: You can make the incidence higher than I suggested, if you like.

The PREMIER: I do not know that I would get support for that.

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

Ayes	20
Noes	22

Majority against	2
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AYES.

Mr. Angwin	Mr. McCallum
Mr. Chesson	Mr. Munsie
Mr. Clydesdale	Mr. Richardson
Mr. Collier	Mr. Teesdale
Mrs. Cowan	Mr. Troy
Mr. Davies	Mr. Walker
Mr. Heron	Mr. Willcock
Mr. Hughes	Mr. Wilson
Mr. Lambert	Mr. Corboy
Mr. Lutey	(Teller.)
Mr. Marshall	

NOES.

Mr. Angelo	Mr. Mann
Mr. Broun	Sir James Mitchell
Mr. Carter	Mr. Money
Mr. Denton	Mr. Pickering
Mr. Durack	Mr. Piesse
Mr. George	Mr. Sampson
Mr. Harrison	Mr. Scaddan
Mr. Hickmott	Mr. J. Thomson
Mr. Johnston	Mr. Underwood
Mr. Latham	Mr. Mullany
Mr. C. C. Maley	(Teller.)
Mr. H. K. Maley	

New clause thus negatived.

New clause:

Hon. P. COLLIER: I move—

That the following new clause be added:

“(1) In the case of a person other than an absentee, or a person who is not married and has no dependants, there shall be deducted, in addition to the sum set forth in the last preceding paragraph, a sum of £200 less £1 for every £3 by which the income chargeable exceeds £200. (2) In the case of a person, not being an absentee, who is not married and has no dependants, there shall be deducted, in addition to the sum set forth in the last preceding section, a sum of £100 less £1 for every £3 by which the income chargeable exceeds £100.”

One of the objections used against the last new clause by the Premier last week was that it would allow an exemption of £200 to the single, and to the unmarried without dependants, as well as to the married and the single with dependants. There may be something in that objection. Whilst I firmly believe that we would be justified in exempting married persons up to £200, there is possibly something in the view that a single person without dependants might well contribute some amount, even though it were a small one, if receiving an income of over £100 a year.

The PREMIER: We have already dealt with an almost identical clause.

Hon. P. Collier: No.

The PREMIER: Yes. We have decided that nearly all the words of this proposed clause should not go into the Bill.

Hon. P. Collier: No. There is unquestionably a vital difference in principle.

The PREMIER: I do not think the proposed new clause is permissible under the Standing Orders.

Hon. P. Collier: Oh yes, the other covered married and single alike, whereas this distinguishes between the two.

The PREMIER: We have already decided the question in respect of married persons. This merely cuts out single persons.

New clause put and a division taken with the following result:—

Ayes	22
Noes	21

Majority for	..	1
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AYES.

Mr. Angwin	Mr. McCallum
Mr. Chesson	Mr. Money
Mr. Clydesdale	Mr. Munsie
Mr. Collier	Mr. Richardson
Mrs. Cowan	Mr. Teesdale
Mr. Davies	Mr. Troy
Mr. Heron	Mr. Walker
Mr. Hughes	Mr. Willcock
Mr. Lambert	Mr. Wilson
Mr. Lutey	Mr. Corboy
Mr. Mann	(Teller.)
Mr. Marshall	

NOES.

Mr. Angelo	Mr. C. C. Maley
Mr. Broun	Mr. H. K. Maley
Mr. Carter	Sir James Mitchell
Mr. Denton	Mr. Pickering
Mr. Durack	Mr. Piesse
Mr. George	Mr. Sampson
Mr. Gibson	Mr. Scaddan
Mr. Harrison	Mr. J. Thomson
Mr. Hickmott	Mr. Underwood
Mr. Johnston	Mr. Mullany
Mr. Latham	(Teller.)

New clause thus passed.

New Clause:

Mr. PICKERING: I move—

That the following new clause be inserted: “Amendment of Section 30 of Act No. 17 of 1921. Section 30 of the Land and Income Tax Assessment Act Amendment Act, 1921, is amended by inserting after ‘shall,’ in line two, the words ‘except as hereinafter provided’; and by adding a proviso as follows: ‘Provided that Subsection 4 of Section 16 of the principal Act) inserted by Section 5 of this Act) shall have effect from the first day of September, 1921, and shall apply only to such profits as therein mentioned arising or accruing to any person on and from that date.’”

When the Land and Income Tax Assessment Act was originally passed, it was not thought that sales of assets as provided for in Subsection 4 of Section 16 would be liable to

taxation. But that section was made retrospective by the amending Act of 1921. In a test case taken to the courts it was decided that such sales were not liable to taxation. That decision was upheld by the High Court. In consequence a good many sales have taken place and the estates in trust have distributed the amounts realised from those sales. Last session the House passed the retrospective provision imposing taxation on such sales. In many instances the money realised from those sales have been distributed and in other cases invested. It would be impossible to recover the taxation.

[Mr. Angelo took the Chair.]

Hon. P. Collier: You are not concerned about the man with not enough capital to invest in a loaf of bread.

Mr. PICKERING: This might apply to anybody. If no relief be given, considerable hardship will be imposed upon the recipients of the money distributed. The new clause merely provides that sales which took place prior to the passing of the Bill of 1921 shall not be liable to taxation. I hope the Committee will agree to the new clause.

The PREMIER: This applies to walk-in walk-out sales. I do not know how members view the proposal. Under the law it could happen that stock standing in the books at £2 a head could be sold with a station as a going concern at £6, there being a profit of £4, without paying a single cent. of tax.

Hon. W. C. Angwin: That would apply to every business.

The PREMIER: Yes. Men in partnerships could form themselves into a company, transfer their assets to that company on such valuations as I have referred to, selling their stock at £8, and so avoid taxation. If people went on doing this every year, no taxation would ever be collected from them. A man may be holding £10,000 worth of stock, and sell it to a company in which he held a number of shares, at £15,000, and escape taxation on the profit of £5,000.

Hon. P. Collier: Is that the kind of joke that is being put up?

The PREMIER: The law permitted that kind of thing.

Hon. P. Collier: We altered it.

The PREMIER: Yes, last year. Our amendment was altered in the Council, but by some unforeseen circumstances did not get back to us.

Hon. P. Collier: It was lost in transit.

The PREMIER: Yes. In some cases where an estate has fallen into the hands of the trustee some hardship has been occasioned, because the estate has been distributed and there is nothing left with which to pay the tax. In such a case one would have to consider whether or not the trustee should be let off. He could not know what the amending law was going to be. The member for Sussex seeks to alter the date for the operation of this clause to

the 1st September instead of the 1st July. If a man has made a profit, he should pay a tax upon it for the whole year. We are not entitled to ask for more than a tax on the profits made, but it should not be possible for anyone to avoid paying on his legitimate profits.

Mr. Willcock: What are you going to do about it?

The PREMIER: I am going to vote against the amendment.

Mr. WILLCOCK: It is all a question of what is income and what is capital, and the Premier should introduce a definition of what these things are. If a man has a certain amount of money at the beginning of the year and so much more at the end, that should be considered as his income for the year. If a poor man happens to win £10 in a sweep he has to pay taxation upon it, but because another man calls income capital, he does not pay.

Mr. PICKERING: The sales to which I have referred were effected in the belief that no tax would be collected on the amount resulting from such sales. That being so, trustees were justified in distributing the results of such sales amongst the beneficiaries. The Premier has shown that by a process of trickery taxation can be avoided. My object is to protect people who have in good faith transacted certain business under the law as it stood. It was never intended that a measure of this description should be made retrospective and a hardship imposed upon such people as I have mentioned.

New clause put and a division taken with the following result:—

Ayes	..	..	..	..	8
Noes	..	..	..	..	34

Majority against .. 26

AYES.

Mr. Broun	Mr. H. K. Maley
Mr. Durack	Mr. Pickering
Mr. Harrison	Mr. Money
Mr. Johnston	(Teller.)
Mr. Latham	

NOES.

Mr. Angwin	Mr. H. K. Maley
Mr. Carter	Mr. Mann
Mr. Chesson	Mr. Marshall
Mr. Clydesdale	Mr. McCallum
Mr. Collier	Sir James Mitchell
Mr. Corbov	Mr. Munzie
Mrs. Cowan	Mr. Richardson
Mr. Davies	Mr. Sampson
Mr. Denton	Mr. Scaddan
Mr. George	Mr. Teesdale
Mr. Gibson	Mr. J. Thomson
Mr. Heron	Mr. Troy
Mr. Hickmott	Mr. Underwood
Mr. Hughes	Mr. Walker
Mr. Lambert	Mr. Willcock
Mr. Lutey	Mr. Willson
Mr. C. C. Maley	Mr. Mullany

(Teller.)

New clause thus negatived.

Title—agreed to.

Bill reported with an amendment.

BILL—HOSPITALS.

In Committee.

Resumed from the previous day; Mr. Angelo in the Chair, the Colonial Secretary in charge of the Bill.

The CHAIRMAN: Progress was reported on Clause 5.

The Colonial Secretary: I am agreeable to the deletion of Clauses 5 to 12 inclusive.

Clauses 5 to 12 put and negatived.

Clause 13—Appointment of Officers:

The COLONIAL SECRETARY: I move an amendment—

That in line 1, "trust" be struck out and "Minister" inserted in lieu.

This will enable the Minister to appoint a secretary and such inspectors and other officers as may be deemed necessary for the administration of the Act.

Hon. W. C. ANGWIN: I ask the Committee to throw the Bill out altogether. I regret very much that the Premier has not kept the promise which he made to the Committee last night. He gave a definite promise to members that he would draft a clause to enable hospitals to carry on, but the amount provided in the amendment is not sufficient.

The Colonial Secretary: There is a clause dealing with it on the Notice Paper.

Hon. W. C. ANGWIN: I have read it and that is why I am drawing attention to this point. The Government have placed a proposed new clause on the Notice Paper which will limit the amount to £15,000 a year as the permanent appropriation. Every hon. member knows that that sum is not sufficient. It is no good wasting time talking about it. As to the clause, it was not the intention of the Committee when striking out references to the trust, to enable the creation of a special sub-department. If the clause be passed with the amendments suggested by the Minister, it will give the Government power to set up a new sub-department.

Mr. Broun: Clause 13 is unnecessary.

Hon. W. C. ANGWIN: That is so. In any case, the clause will mean that the Government can create a new sub-department. I would like to see the Bill thrown out altogether, because these provisions are not in accordance with the promises made to us. I hope the clause will be deleted so that the Government will not have power to create a new department to administer the Act. The additional work will not mean much to the existing organisation at the Medical Department.

The COLONIAL SECRETARY: It is reasonable to anticipate that if £123,000 is collected under the Bill, an additional officer, such as a secretary, will be necessary. The

power can be given but it does not say that we shall exercise it in appointing such officers.

Mr. Harrison: You do not need anyone apart from the present officers.

The COLONIAL SECRETARY: We ask for the power, but we will not use that power unless it is necessary to do so.

Mr. Corboy: If the power is there, the departmental officers will ask for it to be exercised.

The COLONIAL SECRETARY: That is not my experience. The member for North-East Fremantle spoke about the Premier's assurance last night.

Hon. P. Collier: You cannot discuss that now.

The COLONIAL SECRETARY: It was mentioned in passing by the member for North-East Fremantle and in a similar way I can inform the Committee that the Wooroloo Sanatorium and the King Edward Hospital have been removed from the scope of this measure. These removals have an important bearing on the matter.

Hon. W. C. Angwin: You may be able to tell us what the King Edward Memorial Hospital has cost the Government. It is not in the Estimates.

The COLONIAL SECRETARY: The removal of these two institutions from the scope of the Bill will leave a greater amount of money available for the other hospitals. That decision was arrived at, subsequent to the Premier giving an assurance last night, and it affects the position.

• Sitting suspended from 6.15 to 7.30 p.m.

The COLONIAL SECRETARY: It is quite possible that assistance to collect the tax may be necessary, but it is not intended to appoint an additional officer as secretary. The present secretary will have to be appointed under this measure.

Mr. Broun: It will not be necessary to appoint a secretary. We could not have a more efficient officer than the present one.

The Colonial Secretary: He will be the secretary.

Mr. PICKERING: When we struck out the interpretation of "trust," members had in mind the elimination of the trust and any proposed new staff. The business should be controlled by the existing department.

The Colonial Secretary: But the officers must be appointed under this measure.

Mr. PICKERING: It is not necessary to make provision in this measure for the appointment of additional inspectors. We shall only be emboldening the Minister to start a new department. We wish to effect economy in administration, and any loophole given to the Minister will probably be availed of. I oppose the clause. The existing staff should be able to carry out the duties under this measure.

Amendment put and passed.

Hon. W. C. ANGWIN: The Minister said it was intended to carry on the work as at

present but other Ministers might come into office and not give effect to that intention. The clause should be struck out.

Clause put and negatived.

Clause 14—Powers of trust:

On motion by the Colonial Secretary, clause consequentially amended by striking out the word "trust" and inserting "Minister" in lieu thereof.

Mr. CORBOY: Will the Minister explain what it is proposed to do in the case of providing for a medical practitioner to settle in a district in accordance with Sub-paragraph (iii) of paragraph (f)? I have in mind the Ravensthorpe district, where the nearest doctor is 150 miles away. Will it be the intention of the Minister to provide a medical officer for that district and pay him out of the fund to be obtained from the tax? It will be helpful if we can get a guarantee from the Minister to this effect.

The COLONIAL SECRETARY: It would be a big statement to make if I were to assert that every district would be provided with adequate medical services. In some districts a nurse is appointed, but the object of the Bill is to provide necessary medical services, particularly in outback districts.

Mr. Corboy: I will take that as a promise.

Mr. LATHAM: I move an amendment—

That in line 1 of paragraph 8 after "grants" the words "from Consolidated Revenue" be inserted.

The Royal Commission framed their report on the basis that the whole of the revenue to be derived under the Bill would be devoted to the maintenance and upkeep of hospitals and not to the building of hospitals.

The Minister for Mines: The amendment is not in order; it cannot be accepted.

Mr. PICKERING: The Bill altogether is impossible. The more one reads it, the more it appears that it should be remodelled. The more we go into it, the greater do the difficulties seem to become.

The COLONIAL SECRETARY: The remarks of the member for Sussex may be taken as the greatest compliment yet offered me. The member for York asks that certain words should be added to give the Minister in control power over Consolidated Revenue. In this way that Minister will become Colonial Treasurer.

Mr. LATHAM: In the amendments already submitted by the Minister provision is made to take certain sums from Consolidated Revenue and I cannot see that the inclusion of the words I suggest can be regarded as out of order. My desire is to see that the money collected will be used for maintenance.

Hon. W. C. ANGWIN: I suggest that the hon. member withdraw his amendment and move instead for the deletion of the whole paragraph.

The CHAIRMAN: I cannot accept the amendment; it is out of order.

The MINISTER FOR MINES: The money to be raised must go to the Minister, and the Minister can use only the funds which are part of the public funds. A provision has already been agreed to provide that the Minister may erect or establish public hospitals and may alter

or extend any public hospital. Paragraph (g) provides that the Minister may make special grants to hospital boards for special purposes connected with public hospitals. That in itself is sufficient.

Mr. CORBOY: I move—

That progress be reported.

I am merely doing this to give the Minister an opportunity to re-draft the Bill.

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

Ayes	...	...	15
Noes	...	...	24

Majority against ... 9

AYES.

Mr. Angwin	Mr. Marshall
Mr. Chesson	Mr. McCallum
Mr. Clydesdale	Mr. Munro
Mr. Collier	Mr. Walker
Mr. Corboy	Mr. Willcock
Mr. Heron	Mr. Wilson
Mr. Hughes	Mr. Lambert
Mr. Lutey	(Teller.)

NOES.

Mr. Broun	Mr. Mann
Mr. Davies	Sir James Mitchell
Mr. Denton	Mr. Money
Mr. Durack	Mr. Pickering
Mr. George	Mr. Plesse
Mr. Gibson	Mr. Richardson
Mr. Harrison	Mr. Sampson
Mr. Hickmott	Mr. Scaddan
Mr. Johnston	Mr. J. M. Smith
Mr. Latham	Mr. Teesdale
Mr. C. C. Maley	Mr. J. Thomson
Mr. H. K. Maley	Mr. Mullany
	(Teller.)

Motion thus negatived.

Mr. BROWN: I hope the amendment will be carried. More particularly during recent years, fairly large sums have been raised by residents of a district for the erection of a local hospital. Usually the subscriptions were subsidised pound for pound by the Government. The Minister is to control the administration of this measure, and under Clause 39 the money to be raised is vested in the Minister. Thus there is no doubt that any grant made by the Minister would be made out of the trust fund. Under last year's Bill subsidies were to be made available out of Consolidated Revenue. The Government ought to provide the money for the construction of hospitals. No one knows what money will be required for that purpose during the year in, for instance, the South-West. Money for construction purposes should not be taken out of the trust fund, because the trust fund would thereby become very materially depleted.

The Minister for Mines: This clause does not say that the money shall be taken out of the trust fund.

Mr. BROWN: But it does not say that the money shall not be taken out of that fund. The trust fund should be used purely for administration. It is the duty of the Government to provide for these institutions. Under the

system of taxation proposed by the Bill a rate of one penny would probably result in only sufficient funds to meet the current expenses of hospitals, with the result that next session a measure may be introduced to increase the tax to 2d. or 3d. Paying for construction of hospitals out of the trust fund will necessarily lead to heavy increase of the taxation under this measure. There would be no incentive to pay or collect subscriptions if it were known that any Government subsidy would come out of the trust fund, to which the possible subscribers would have to pay a tax.

Mr. PICKERING: The Busselton hospital is already hard pushed for room by reason of the existence of group settlements. Some time ago the hospital committee applied to the Government for a grant. Apparently, however, that was obtainable only upon the joint and several guarantees of the members of the committee, each of whom would therefore be saddling himself for ever with the debt represented by the additional wards. No member of the committee was prepared to sign such a guarantee. Under circumstances of that nature it will be very difficult to get additions financed. Everybody would say, "We are already taxed for hospital purposes, and why should we go to further expense in erecting additional accommodation?" The Bill should provide definitely as to the amount of the trust fund which can be allocated, and the conditions under which allocations shall be made.

Hon. W. C. ANGWIN: I move an amendment—

That paragraph (h) be struck out.

I will not take up the time of the committee by discussing the question further.

Mr. LATHAM: I make a final appeal to the Minister. The member for Beverley has plainly set out what we are going to lose. Here is an incentive to people to subscribe money for the erection of hospitals, as was done for the erection of the hospital at Kellerberrin to which the member for Avon referred last night. If the people think the trust fund is going to be used for construction purposes, they will not subscribe money. Adjoining districts will assist each other in the erection or equipment of a hospital, but if they know that the money is to come out of the tax they will decline to lend any further assistance. I hope the Minister will agree that the money raised by the tax must not be used for the purpose of subsidising the establishment or equipment of hospitals.

Hon. W. C. ANGWIN: Under the clause the Minister has power to make regulations dealing with the erection or alteration of hospitals. The Premier last night gave us a promise, on the strength of which I propose to move an amendment when the proper time arrives.

The COLONIAL SECRETARY: If it were competent, I should be pleased to accept the amendment to insert the words "from Consolidated Revenue;" however, that has been ruled out of order.

Mr. Latham: Only because I am a private member; the Minister could move it.

The COLONIAL SECRETARY: No, we must have a Message.

Hon. W. C. ANGWIN: You have the necessary Message already.

Mr. CHESSON: I hope the Minister will make the desired provision for the erection and equipment of new hospitals. Certainly that money should come out of Consolidated Revenue. If we are to take from taxation money for this purpose, there will be very few private subscriptions forthcoming.

Amendment put and passed.

The COLONIAL SECRETARY: I move an amendment—

That the proviso be struck out.

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

Clause 15—Power to close a public hospital or to abolish the board:

The COLONIAL SECRETARY: I move an amendment—

That in line 1, "on the recommendation of the trust" be struck out.

Mr. MUNSIE: We have already made provision for this. Since we have everywhere struck out "the trust" and substituted "the Minister," this provision must be on the recommendation of the Minister.

The Minister for Mines: It cannot be otherwise if done by the Governor-in-Council.

Mr. Marshall: What shall we call the Bill when we finally dispose of it?

Hon. P. Collier: It is just getting a little surgical treatment now.

The Minister for Mines: You want to put a porous plaster on it.

The Minister for Works: We will excise its appendix next.

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

Clause 16—Holding of inquiries:

Hon. W. C. ANGWIN: If the Minister will but read the clause he cannot fail to see the necessity for redrafting the Bill. When consequentially amended, the clause will provide that the Minister shall hold an inquiry. Of course all that the Minister can be expected to do is to cause an inquiry to be held.

Mr. Broun: He can delegate his authority to the Commissioner of Public Health.

Hon. W. C. ANGWIN: Under the clause none but the Minister can hold the inquiry. And when the inquiry is held the Minister shall have free access to all books, plans, maps, etc. It is becoming ridiculous. The only way out of the difficulty is to redraft the Bill. Almost every clause of the Bill now requires redrafting.

The Minister for Mines: A very simple amendment will put this clause right.

The COLONIAL SECRETARY: I move an amendment—

That in line 5 of Subclause 1, "of its members or any other person or" be struck out.

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

Clause 17 agreed to.

Clause 18—Power to visit and inspect hospitals:

The COLONIAL SECRETARY: I move an amendment—

That the words "any member of the trust" be struck out, and "Minister" inserted in lieu.

Hon. P. COLLIER: That is a ridiculous amendment. It means that any Minister may visit any public hospital.

Mr. Mann: That is nothing new.

Hon. P. COLLIER: It has never been inserted in any Bill. It should read, "Any officer appointed by the Minister may visit any public hospital."

The Colonial Secretary: I will withdraw the amendment.

Amendment by leave withdrawn.

The COLONIAL SECRETARY: I move an amendment—

That the words "any member of the trust and" be struck out.

Amendment put and passed.

Paragraph (c) consequentially amended by the striking out of the words "member or."

Clause as amended agreed to.

Clause 19—Obstruction:

The COLONIAL SECRETARY: I move an amendment—

That in paragraph (a) the words "the trust or any member or" be struck out, and "any" be inserted in lieu, that "thereof" be struck out; that in paragraph (b) "the trust or any member or" be struck out and "any" be inserted in lieu, and that "thereof" be struck out as well as the words "and the trust or of any member or officer thereof."

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

Clause 20—Member of trust may attend meetings of the board:

The COLONIAL SECRETARY: I move an amendment—

That in paragraph (1) the words "trust" be struck out and "Minister" inserted in lieu, and that in paragraph 2 "a member of the trust" be struck out and "any officer appointed by the Minister" be inserted in lieu.

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

Clause 21—Vesting of property:

The COLONIAL SECRETARY: In this case the words "trust" should be struck out and "Minister" inserted in place of it.

Hon. W. C. ANGWIN: If the suggestion were followed it would mean vesting all the hospitals in the schedule in the Minister. I move an amendment—

That "trust" be struck out and "Crown" be inserted in lieu.

The Colonial Secretary: All hospitals with the exception of the Children's Hospital are erected on Crown lands.

Hon. W. C. ANGWIN: The lands are not vested in the Crown, but in trustees.

Mr. MANN: Is the Children's Hospital included in this?

The Colonial Secretary: It is the only hospital not erected on Crown lands.

Mr. MANN: I should like to see that institution exempted. The Committee at present can trade on an overdraft, but I do not know what would happen if the hospital were brought under this Bill.

Mr. RICHARDSON: Is it intended to place the Home of Peace under the provisions of the Bill?

The Colonial Secretary: No.

Mr. RICHARDSON: That institution can be regarded as a public hospital under the Bill. It is purely a hospital for cases which are incurable and, therefore, can come within the scope of the Bill.

Hon. P. Collier: It does come within the scope of the Bill according to the interpretation clause.

Mr. RICHARDSON: But the Colonial Secretary says it does not.

The Colonial Secretary: If it is a public hospital, it does. I regard it as an institution, carried on by public philanthropy.

Hon. P. Collier: Is it not subsidised by the Government?

The Colonial Secretary: Yes, to a certain extent, but I do not regard it as a Government institution.

Hon. P. COLLIER: We should deal with the amendment first and then decide under paragraph (a) which institutions should be included and which should be excluded from the operations of the measure.

Amendment put and passed.

Mr. MANN: I move an amendment—

That in paragraph (a) after "hospitals" the words "except the Children's Hospital" be added.

The Children's Hospital is built on land which is not vested in the Crown. This enables the trustees to finance the institution by means of an overdraft.

The Colonial Secretary: And by means of a Government subsidy as well.

The Minister for Mines: It is not financed by means of an overdraft any more than other institutions.

Mr. MANN: During the past five or six years the committee of management have been up against it and they have been able to go to the bank to secure an overdraft of from £2,000 to £3,000 on the security of the land. I have been on deputations to the Minister with a request for assistance, and while he has been considering whether the assistance would be given or not, the bank has advanced a thousand pounds or two to keep the institution going. If agreed to as it stands, the Bill will place this institution at a disadvantage.

The COLONIAL SECRETARY: We will commit an error if we agree to the amendment, having in view the desirability of the Children's Hospital being properly maintained. It is obvious that the financial troubles of the institution should be removed. If the hospital comes within the scope of the

Bill, its liabilities will be taken over as well. Under the Bill, not only the assets but all the liabilities of an institution are taken over. There is a heavy liability on the Children's Hospital which amounts at the present time to an overdraft of about £6,000.

The MINISTER FOR MINES: I suggest to the member for Perth that he should take steps to have the property, after being taken over, re-vested in the trustees to enable them to mortgage it in the same way as is done with other Government institutions. If that were done then, if it were deemed advisable, the Government could step in and prevent the sale of the property by finding the money necessary to pay off the mortgagee. The same thing is done in connection with the Zoological Gardens. No one would suggest that the Government would allow the mortgagee to step in and sell that property because there is an overdraft of £6,000 or so. The same thing could apply to the Children's Hospital. I suggest that the Colonial Secretary should look into the matter to see whether it is possible to make provision to enable the institution to remain vested in the local committee so as to assist in the financing of it.

Mr. Latham: There should not be any necessity for financing it.

The MINISTER FOR MINES: That is so, but the Colonial Secretary might look into that aspect to see whether the property can be re-vested in the committee of management.

The Colonial Secretary: I will go into the matter with the member for Perth.

Mr. Harrison: But we wish a general provision to be made so that it can apply to other institutions as well.

The Colonial Secretary: That is right.

Hon. W. C. ANGWIN: The same position might arise in connection with the Home of Peace, the Industrial School for the Blind, the Deaf and Dumb Institution, and so forth, in view of the interpretation clause.

Hon. P. Collier: That is so, but no institution would be named, as there would be simply a general power provided.

Mr. Harrison: The interpretation clause is wide enough to cover the lot.

The COLONIAL SECRETARY: The member for Perth has raised a rather awkward proposition which will require some consideration. At the same time, I will go into the matter.

Hon. W. C. Angwin: Will you recommit the clause if necessary?

The COLONIAL SECRETARY: Yes.

Mr. MANN: In the circumstances, I ask leave to withdraw my amendment.

Amendment by leave withdrawn.

Mr. RICHARDSON: Will the Minister give me a decision regarding the Home of Peace?

The COLONIAL SECRETARY: The interpretation clause sets out that special institutions may be specially dealt with. In the case of the Home of Peace, the institu-

tion is for the treatment of persons who are suffering from incurable diseases.

Hon. W. C. Angwin: The fact remains that the patients are suffering from diseases and it does not matter whether they are curable or not.

The COLONIAL SECRETARY: The intention was not to include such institutions in the Bill.

Hon. P. Collier: There is provision in the Bill to exclude any such special institution.

Hon. W. C. ANGWIN: I move an amendment—

That paragraphs (c) and (d) be struck out.

In view of the earlier amendment, it is not necessary to provide that lands and so forth which belong to the Crown shall be vested in the Crown.

Amendment put and passed.

The COLONIAL SECRETARY: I move an amendment—

That in line 1 of the proviso after "extend" the words "to moneys in the hands of a board of management or a hospital committee at the commencement of this Act; or" be inserted.

Mr. HARRISON: I want an assurance from the Minister with regard to the moneys we have collected and which we hold for specific purposes.

The Colonial Secretary: This amendment will give you all protection.

Amendment put and passed.

The COLONIAL SECRETARY: I move an amendment—

That the following proviso be added: "Provided that the Minister shall also assume any liabilities upon any property which becomes vested in him under this section."

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

[Mr. Stubbs took the Chair.]

Clause 22—Hospital reserves:

Hon. W. C. ANGWIN: I move an amendment—

That Subclause 2 be struck out.

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

Clause 23—Powers of trust over lands vested in them:

The COLONIAL SECRETARY: I suggest that consideration of this clause be postponed.

Hon. W. C. ANGWIN: The clause should be struck out.

The Minister for Mines: We might vest in trustees who will have the right to mortgage.

Hon. W. C. ANGWIN: Every paragraph in the clause deals with the powers of the trust. We have substituted the Minister for the trust, and there is no need to retain the clause.

Clause put and negatived.

Clause 24—Application of trust moneys:

Hon. W. C. ANGWIN: This clause shows that the Bill should have been re-drafted. It refers to the trust, and the amendments necessary are not altogether consequential.

The Minister for Mines: They are consequential.

Clause put and passed.

Clause 25—Annual report:

On motion by the Colonial Secretary, clause amended by striking out the words "to the Minister for presentation."

Clause 26—Existing boards:

The COLONIAL SECRETARY: I move an amendment—

That the following subclause be added, "(3) On the appointment of a hospital board as aforesaid, such board shall take over all liabilities incurred in connection with the hospital by the board of management or committee which it succeeds."

Amendment put and passed.

Mr. PICKERING: Does this mean that the old order of hospital committees shall go out?

Hon. P. Collier: Yes, if the following clause is passed.

Mr. PICKERING: I am very doubtful whether the same care and interest manifested to-day will follow the appointment of the new type of board.

Hon. P. Collier: You had better debate that on Clause 27.

Clause, as previously amended, agreed to.

Clause 27—Constitution of hospital boards:

The COLONIAL SECRETARY: I move an amendment—

That in Subclause 1 the words, "on the recommendation of the trust" be struck out.

Amendment put and passed.

Mr. PICKERING: Paragraph (a) is contrary to the whole spirit of the Bill. The Bill is to raise funds by means of taxation and paragraph (a) states that four members of the board shall be elected by the subscribers to the hospital funds. Everyone who pays taxation will be more or less a subscriber to the hospital funds. Yet it is sought to place in the hands of probably a small number of people the power of electing a majority of the board.

Mr. Harrison: It might be a large number.

Mr. PICKERING: And it might not. The consensus of opinion on the second reading debate was opposed to the election of a majority of the board by a privileged few. What is meant by subscribers?

Hon. P. Collier: We know the term is entirely unknown in some country districts.

Mr. PICKERING: That possibly applies to the metropolitan area.

Hon. W. C. Angwin: Not too much.

Mr. PICKERING: The Busselton hospital is maintained chiefly by subscriptions.

Mr. LATHAM: I move an amendment—

That after "board" in line 3 of Subclause (1) the following words be inserted, "consisting of not less than five nor more than ten members."

If my amendment is carried, I propose to move for the deletion of the balance of the subclause. We ought to limit the number and elect the board on the broadest possible franchise such as the electoral roll.

Hon. P. Collier: Too complicated.

Mr. LATHAM: There should be some system by which everyone in the district might be given a vote. The clause as drafted does not meet the wishes of members generally.

Hon. P. Collier: It is far from perfect, but how are we to get over it?

Mr. LATHAM: The present committees in outback hospitals are elected on a fairly broad franchise. Every subscriber has a vote. If every taxpayer has a vote, it should be the means of stimulating interest in the hospitals.

Mr. HARRISON: If we are to have these boards, and they are going to be successful, why put in the number of members? How will the Minister reconcile this amendment, if it be passed, with the suggested new clause 28 that he intends to submit?

The COLONIAL SECRETARY: An assurance was given to the hon. member that there would be protection for institutions such as that at Kellerberrin, or any other of a similar character.

Mr. CHESON: The number of members of the board should be left to the subscribers to determine. That has always been the practice in the outback districts. In Cue at one time we found the number too cumbersome, and we reduced it.

Hon. W. C. ANGWIN: The suggestion of the hon. member may work well in the country, but it would not work well in the metropolitan area. There must be a certain number appointed by the Governor. In all probability the Government will have to contribute towards the maintenance of the hospital. Paragraph (d) is really useless.

The Minister for Mines: It was recommended by the Royal Commission.

Hon. W. C. ANGWIN: The prescribed number must be mentioned; otherwise how will the hospital be managed? Where Government funds are concerned, the Government must be represented.

Mr. BROWN: I had in mind an amendment to provide that the board should be elected by subscribers and taxpayers. The roll would have to be prepared by the local body.

The Minister for Mines: Suppose you have two or three hospitals in one district?

Mr. BROWN: You may have, but you need not have that number. I am not in favour of the appointment of the board as set out in the Bill. It is wise to limit the

number, because if the board be unwieldy the members will not work together.

THE COLONIAL SECRETARY: The election of the board is evidently going to be difficult, and perhaps the better way would be to determine the method by regulation.

MR. MARSHALL: I feel that I cannot support the amendment, because it is bound to lead to complications, having regard to varying conditions in various districts. I would suggest one committee member for every 100 subscribers, with possibly a limit of 10 members. The provision cannot work without a limitation.

THE MINISTER FOR MINES: I agree with the member for North-East Fremantle that the manner of appointment should be left to be prescribed so as to meet the wishes of the various districts in which hospitals are locally controlled. The proposal in this clause is that of the Royal Commission. I am familiar with the hospitals maintained on the goldfields and in timber districts, largely or wholly by subscribers. For the sake of these hospitals there should be power to prescribe by regulation the election of committees. As regards the Perth Hospital, an election would be both costly and ineffective. Regulations can be disallowed by either House of Parliament. We have altered the underlying principle of the trust, and have reverted to Ministerial control. In the outback districts the keenest interest is taken in the appointment of hospital committees. There the election might be left entirely to the subscribers. On the other hand, that course would be absurd in the case of the Perth Hospital.

MR. LATHAM: It is quite unfair to suggest that this clause is based on a recommendation of the Royal Commission. It is nothing of the kind. The Minister should postpone consideration of the clause, with a view to something more in accordance with the Royal Commission's report being drafted.

MR. CHESSON: Subscribers and taxpayers in outback districts want to have some say in regard to the constitution of hospital committees. They should elect the committees of management. That course gives general satisfaction. Nominations by road boards would lead to dissatisfaction.

THE COLONIAL SECRETARY: If hon. members would agree to let the clause pass on the lines which I have suggested, it would be possible to make, by regulation, such variations as the special circumstances of a particular hospital, or group of hospitals, might call for. That would be better than to set up a cast-iron method of election in the measure itself.

HON. M. F. TROY: Members might be satisfied to accept the Minister's suggestion if they knew what the regulations would be. Possibly the regulations might not prove agreeable to many members. The present clause cannot be regarded as satisfactory by members who have a knowledge of the management of outback hospitals. Even the amendment of the member for York leaves

something to be desired, inasmuch as it provides for election of committees on the Assembly roll. That plan has the fatal objection that many subscribers would not be old enough to appear on the Assembly roll, while many names on that roll might not be names of subscribers. The only people who should have a voice in the government of a hospital are the subscribers. Nomination of members of hospital committees by local governing bodies is objectionable. There have been more quarrels through people put on hospital committees except by the subscribers than from any other cause. Persons have been put on those committees by means that were not considered fair, and the result was that the subscriptions fell off and the hospital went to pieces.

HON. W. C. ANGWIN: At present subscribers elect the committees. But under this Bill every person earning £100 a year would be a subscriber, and thus the electorate would be considerably widened. The Bill provides for special subscribers in addition to the taxpayers. Indeed the taxpayer is not regarded as a subscriber unless he has £2 to pay in taxation and subscribes £1 to the hospital, in which case he can claim a deduction of £1 in respect of his tax. As a rule I do not like government by regulation, but I really think it would be better if, under this clause, the Minister were given power to make regulations suitable to the various districts.

MR. LATHAM: The amendment forecasted by the Minister might overcome this.

HON. W. C. ANGWIN: I do not think it will. The clause lays down a definite principle for application to all hospitals, which I think is wrong. However, every hospital board should have on it a Government official to supervise the expenditure of public money.

MR. MARSHALL: Outback hospitals will be worse off under the Bill than at present.

HON. W. C. ANGWIN: How is it possible to provide in the Bill for the constitution of a board for Perth, another for Bunbury, another for Albany, another for Sandstone, and still another for Leonora? We should not attempt to lay down in the Bill conditions applicable to all districts. The only way out of this difficulty is by giving the Minister power to frame regulations.

[Mr. Angelo resumed the Chair.]

MR. PICKERING: If it is intended by the amendment that the manner of voting should come under the regulations, it must be remembered that the Bill provides a minimum subscription of £1, to entitle the subscriber to a vote. I think half-a-crown should entitle him to a vote.

Amendment put and negatived.

THE COLONIAL SECRETARY: I move an amendment—

That in Subclause (1) all words after "constituted" in line 4 be struck out, and "in the prescribed manner" inserted in lieu.

Mr. CHESSON: Will the amendment give the subscribers power to elect their own committee? If not, it will not give satisfaction in outback centres. I want a definite assurance on this.

The COLONIAL SECRETARY: I take it the Minister will be largely guided by the member for the district, and will frame a regulation accordingly.

Mr. PICKERING: It seems to me a new clause will be necessary to prescribe the date of the appointment of a new board.

Hon. P. Collier: That is only a minor consideration.

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

Clause 28—Disqualification:

Mr. MANN: What is the reason for paragraph (a)? Since the election of the hospital committee is under the control of the Government, is it necessary that we should retain this provision?

The COLONIAL SECRETARY: The paragraph prevents any person who has been convicted and has served a sentence, etc., from becoming a member of the board. If members do not agree with this provision, they can vote against it.

Hon. P. COLLIER: I move an amendment—

That in paragraph (a) the words "has been convicted and served a sentence or" be struck out.

There are men who have served sentences and have subsequently reached high positions in the public life of the country. They may be eligible to hold a seat in this Chamber, but under this clause they would not be allowed to take a seat on a hospital board.

Amendment put and passed.

Paragraph (d) consequentially amended.

Mr. HERON: I move an amendment—

That paragraph (e) be struck out.

In outback centres there are business people who take great interest in local hospital management and they should not be debarred from a seat on the board.

Hon. W. C. ANGWIN: It will be dangerous to strike out this paragraph. Abuses might arise if this were done. A man might become a member of a hospital board and get all the trade of the town because of his position.

Mr. TEESDALE: The whole control of the hospital is sometimes left to two persons, who can work things as they please. I hope the paragraph will not be struck out.

Mr. CORBOY: If it were not for the two or three persons mentioned by the member for Roebourne, the work would not be done. Very frequently they are local business men, who have time to give to the work.

Mr. Teesdale: Many of them give it from interested motives.

Mr. CORBOY: We have a type of men in our district different from the type in the hon. member's district.

Mr. Teesdale: I wonder you do not cut yourself with such rapier-like wit.

Mr. CORBOY: It would be extremely difficult to carry on our hospitals if this paragraph is not struck out.

Mr. CHESSON: I support the deletion of the paragraph. In country towns contracts are let for supplies to the local hospitals. The local business man, who are often members of the board, should not be prevented from tendering for such supplies.

Hon. W. C. Angwin: If they get the contract they lose their seats on the board.

Hon. P. COLLIER: This is an instance of the difficulty of legislating to suit the circumstances of the various parts of this great State. The paragraph would debar local business men from serving on the board if they have business dealings with it. All our legislative enactments however, debar a man from sitting on any tribunal which decides any contract or undertaking affecting his own personal welfare. There are occasions where a man may be a member of the board and tender for a year's supplies for some large institution, and there may be unconscious bias in his favour on the part of other members of the board. It would be better that injustice in this direction should be done to some hospitals rather than that this paragraph should be struck out.

Mr. HERON: In my district six out of 10 members of the local hospital board are business men, and yet the board does as well for its hospital as any other district.

Hon. P. Collier: Do they let contracts?

Mr. HERON: Sometimes, but the business goes round.

The Colonial Secretary: It might get over the difficulty if the Minister were allowed to make exceptions in special cases.

Capt. CARTER: The paragraph is not aimed at any particular district, but is of general application. If the funds of some of the large institutions are going to be placed at the mercy of boards, without the safeguards provided by this paragraph, we shall be doing a dangerous thing. We cannot expose to any sort of jerry-mandering the large sums of money that are annually handled by our public hospitals. The business men of the State will see that the paragraph is of a strictly general nature.

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

Clause 29—agreed to.

Clause 30—Hospital board to be corporate body:.

On motion by the Colonial Secretary, Subclause 4 struck out, and the following inserted in lieu: "The chairman shall, when present, preside at all meetings of the trust. In the absence of the chairman from any meeting, or if, after being present, he retires, the members present may elect one of their number to be chairman for that meeting or for the remainder thereof. In the absence of the chairman from the State or in case of the illness of the chairman, the members present at any meeting may elect one of their number acting chairman during such absence or illness. At all meetings of the trust all the members present shall vote on any question submitted, and the question shall be decided by the majority. Each member, including the chairman, shall have one vote, and in the case

of an equality of votes, the chairman shall have a second or casting vote."

Clause, as amended, agreed to.

Clauses 31, 32, 33—agreed to.

Clause 34—Expenditure by boards of moneys under control:

The COLONIAL SECRETARY: I move an amendment—

That the words "and, as regards property vested in the trust, with the consent of the trust," in lines 1 and 2, be struck out.

This is consequential.

Amendment put and passed.

Hon. W. C. ANGWIN: I move a further amendment—

That paragraph (f) be struck out.

That paragraph empowers a hospital board to make "such grants or subsidies to medical or nursing associations, or benevolent or philanthropic institutions, or societies, as the Minister approves." Money subscribed to hospitals is subscribed for the benefit of the patients. If people wanted to give money for other purposes than those of a hospital, they would give it direct. Thus there is no occasion for granting the power contained in paragraph (f).

The COLONIAL SECRETARY: I hope the amendment will not be pressed. The power sought is very desirable, and the Minister's approval must always first be had.

Hon. W. C. ANGWIN: The Minister does not know his own Bill. The power as regards medical and nursing objects is already provided, since a board may appoint a district officer and nurses to be stationed elsewhere than in the institution. There must be some reason for the insertion of paragraph (f). Is the purpose to relieve the Government of the necessity for maintaining benevolent institutions? No board in the world should be allowed to divert to other purposes, money subscribed for hospital purposes as can be done, under this paragraph, with the approval of the Minister. Suppose one year a hospital received special donations not subject to any conditions; the board would then have power to grant the amount of those donations, or part of the amount, to some other institution, subject to the approval of the Minister, which approval he would not be likely to refuse. Then next year the institution which gave the money away might find itself in financial difficulties.

Mr. Latham: What about grants for convalescent homes from the hospitals?

Hon. W. C. ANGWIN: They are already provided for, by way of subsidy from the Government. There is a doubt whether those homes would come in for a share of the taxation, in consequence of the interpretation clause. The Minister intends to inquire into that question. No board should have a right to pay away funds from one institution to another.

The COLONIAL SECRETARY: The paragraph should be retained. It is possible that a board may desire to make a grant to, say, the Salvation Army Home for backward boys.

Hon. W. C. Angwin: The board would have no right to do it!

Hon. P. Collier: That is not a matter for a hospital committee, but for the Government to attend to.

The COLONIAL SECRETARY: But that is a philanthropic institution!

Hon. P. Collier: That has nothing to do with a hospital committee.

The COLONIAL SECRETARY: I will quote another case. A local hospital may desire to contribute a certain amount towards the bush nursing scheme.

Mr. Heron: The Bill already provides for that.

Hon. P. Collier: Bad luck! The Minister can have another try.

The COLONIAL SECRETARY: Well, it is conceivable that cases may arise when it would be advisable to have the benefit of the paragraph.

Hon. P. Collier: It is only conceivable!

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

Clause 35—Board may make by-laws in respect of institutions:

Hon. W. C. ANGWIN: Under the clause the Government might be relieved of their responsibility to grant relief for charitable purposes. Paragraph (f) provides that a hospital board may make by-laws regulating the granting of relief by the institution to patients or other persons not being inmates of the institution. Paragraph (g) refers to prescribing fees payable for relief or maintenance granted in or by any institution and so forth.

The Minister for Mines: But the by-laws cannot be contrary to the provisions laid down in the measure.

The Colonial Secretary: The interpretation clause sets out what is covered by "relief."

Hon. W. C. ANGWIN: But that definition is very indefinite.

The Minister for Mines: In any case, the by-laws cannot be at variance with the powers conferred by the Bill.

Mr. Brown: The powers are set out in Clause 35, and there is no provision to deal with charities.

Mr. Teesdale: How can these powers be used unfairly?

Hon. W. C. ANGWIN: I do not desire to see funds raised by taxation used except in the maintenance of hospitals.

The Minister for Mines: And that is quite right.

Hon. W. C. ANGWIN: A considerable portion of the Bill has been taken from the New Zealand Act, which deals not only with the control of hospitals, but with outdoor relief as well. Thus it appears the use of the scissors has resulted in these extraneous powers creeping into a Hospitals Bill.

Hon. P. Collier: Well, we can "scissor" the paragraph out.

Hon. W. C. ANGWIN: This will have a tendency to take money raised for the maintenance of hospitals and disburse it in other directions. I suppose it costs the Perth Hospital at least £500 per annum to supply the Old Men's Home with medicine. The Old Men's Home does not come under the Bill, at all events not anywhere else but in this paragraph.

Mr. Pickering: Would you cut out that medicine?

Hon. W. C. ANGWIN: No, I would let the Government pay for it. If too much money

is required from Consolidated Revenue for the maintenance of hospitals, the tax next year will be 2d. instead of 1d. It would be safer to have paragraph (f) out altogether. I move—

That paragraph (f) be struck out.

THE MINISTER FOR MINES: While the case mentioned by the hon. member may come under this paragraph, if we strike out the paragraph it will inflict hardship on other districts in compelling the Government to provide out of Consolidated Revenue the cost of medical attention at the Old Men's Home. The Albany hospital is maintained almost wholly by Government funds. That obtains in all parts where hospitals have to receive patients from among those who are not called upon to subscribe.

Hon. P. Collier: Why?

THE MINISTER FOR MINES: If a ship brings in a patient, the hospital has to accept him. In Denmark they have a medical fund. It is conceivable that the Albany hospital authorities may arrange with a nurse who has a nursing home, assisted by the medical fund at Denmark, to take in patients instead of sending them on to the Albany hospital. Under paragraph (f) a by-law can be made providing for the admission of patients to an approved nursing home.

Hon. W. C. Angwin: That is provided for in Clause 32.

THE MINISTER FOR MINES: But not in the manner desired.

Mr. Mann: If the words "or other persons" were struck out from paragraph (f), the position would be met.

THE MINISTER FOR MINES: There is no power in the Bill to grant poor relief, so it can only mean medical or surgical relief. It is better to err on the side of giving those responsible complete authority than to rope them in too finely. If we were to strike out "or other persons" from the paragraph, no relief could be granted except relief to patients. Clause 36 makes suitable provision.

Hon. W. C. Angwin: No, that is entirely different.

THE MINISTER FOR MINES: Surely they are entitled to it. They will be contributing to the medical fund. I hope the hon. member will not make it impossible to carry out something he really desires.

Mr. DAVIES: The paragraph should be retained. The Perth Hospital sends to the Convalescent Home at Cottesloe, patients who have recovered and subscribes to their keep while they are there. In such instances this paragraph would operate. The Perth Hospital authorities intend to enlarge that benefit. If patients were kept at the hospital they would be charged 9s. a day, but at Cottesloe they are charged 15s. or £1 a week.

Hon. W. C. ANGWIN: I ask leave to withdraw the amendment.

Amendment by leave withdrawn.

Hon. W. C. ANGWIN: I move an amendment—

That in paragraph (f) the words "or other persons" be deleted.

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

Clauses 36, 37—agreed to.

Clause 38—Local visiting and advisory committees:

On motion by the Colonial Secretary, clause amended by striking out "managed by the trust."

Hon. W. C. ANGWIN: There is no necessity for the clause.

The Colonial Secretary: It is necessary where a board is not appointed through lack of the hospital spirit.

Hon. W. C. ANGWIN: I hope it will be compulsory to have a board in each district. The object of the Bill is to secure uniformity.

Clause as amended agreed to.

Progress reported.

BILLS (2)—RETURNED.

1, Western Australian Bank Act Amendment (Private).

2, Supply Bill (No. 3), £1,040,000.

Returned from the Council without amendment.

House adjourned at 10.57 p.m.

Legislative Council,

Thursday, 7th December, 1922.

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

ASSENT TO BILLS.

Message received from the Lieut.-Governor notifying assent to the following Bills—

- 1, Married Women's Protection.
- 2, Administration Act Amendment.
- 3, Public Education Acts Amendment.

MOTION—STANDING ORDER SUSPENSION.

New business after 10 o'clock.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [4.33]: I move—

That Standing Order No. 62 be suspended for the remainder of the session.