

lengthy negotiations which have gone on. The Government believe the course adopted is the wisest one to pursue in the interests of all parties. It is practically unanimously agreed on all hands that the present site is totally unsuitable for a modern town hall, and if it can be secured by the Government it is a site very suitable to complete the Government block of buildings, so that the various Government offices may be contained in what is known now as the Government block. I have nothing farther to add at this stage than to commend the Bill to the consideration of members. I beg to move the second reading.

MR. DAGLISH (Subiaco): I move the adjournment of the debate, and in doing so I ask the Premier that before it is resumed he should lay the papers on the table, so that members may be able to refer to them.

THE PREMIER: I shall have pleasure in acceding to the request of the hon. member.

Motion passed, the debate adjourned.

#### ADJOURNMENT.

The House adjourned at 10:27 o'clock, until the next Tuesday.

## Legislative Council,

Tuesday, 18th September, 1906.

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THE PRESIDENT took the Chair at 4:30 o'clock p.m.

#### PRAYERS.

#### QUESTION—EXPERIMENTAL FARMS.

HON. W. T. LOTON (without notice) asked the Colonial Secretary: When is it intended to lay on the table the return moved for on the 26th June, relative to the various experimental farms?

THE COLONIAL SECRETARY replied: Last week I called to memory the return asked for by the hon. member, and I made inquiries from the Honorary Minister for Agriculture. I understand that the return is almost complete, and I shall probably be able to lay it on the table this week. Owing to the system in which the accounts of the experimental farms have been kept, it is rather difficult to get the return asked for in quick time. That explains the delay.

#### QUESTION—RAILWAY BRIDGE, BEAUFORT STREET.

HON. C. SOMMERS asked the Colonial Secretary: 1, If the proposed new Beaufort Street bridge is built in a straight line with Barrack Street, will any compensation have to be paid to private property-owners, so as to obtain the proposed grade of 1 in 16 for the roadway? 2, As it has been stated that the estimated cost of the proposed bridge is £16,000, does that estimate include the various attendant works such as a temporary bridge to carry the traffic during construction of the new bridge, and also any other works that may be necessitated by its construction? If the estimate stated at £16,000 does not include such attendant works,

what is the estimated cost of the whole? 3. The Tramway Company's engineer having stated that the sharp curves on the proposed straight bridge will be found impracticable for satisfactory working, and as a grade of road of 1 in 16 is the best that can be got with that bridge, has the Government considered the advisability of constructing a bridge similar to the William Street one? 4. Is it correct that the Government paid the designer of the scheme of bridges and other works about Perth Central Railway Station, of which the William Street bridge is a portion, commission on the portion of his scheme to be subsequently carried out?

THE COLONIAL SECRETARY replied: 1, No. 2, Temporary bridge and other works relating to the bridge are included in the estimates of the Department. 3, It is not considered advisable or desirable to construct a horseshoe bridge on this site. 4, No money at all has been paid to the person who first suggested the horseshoe bridge at William Street, nor—except in salary—to the departmental officer who first designed a horseshoe bridge for that thoroughfare. The person who successfully obtained payment for a design for a horseshoe bridge, which was impracticable, has not so far succeeded in obtaining payment for any other portion of the designs he submitted.

#### BUBONIC PLAGUE INQUIRY, EXTENSION.

On motion by the Hon. J. M. DREW, the time for bringing up report of select committee appointed to inquire into the outbreak of bubonic plague at Geraldton was extended for one week.

#### REPORT ON COMMITTEE'S POWERS.

HON. M. L. MOSS presented the report of the Standing Orders Committee on the question of privilege arising out of the refusal of the Deputy Postmaster General (Federal) to produce certain telegrams called for as evidence by the select committee inquiring into the outbreak of plague at Geraldton. The Standing Orders Committee recommended that a summons should be issued in accordance with the provisions

of Section 5 of the Parliamentary Privileges Act to the Deputy Postmaster General to produce the telegrams required by the select committee, and if he refused to do so, that the chairman of the select committee should, in accordance with Section 7 of the same Act, report such refusal with the reason therefor to the House. On such report, the House would be in a position to take necessary action in the matter, so that the privileges of the State Parliament might be fully maintained.

HON. M. L. MOSS (West) moved—

That the report be received and adopted.

He said: The House is pretty well in possession of the material which induced us to couch the report in the terms we have done. The various sections of the Federal Constitution Act, of our own Act, of the Parliamentary Privileges Act, and of our Standing Orders bearing upon this question are fully set forth in the report, and it was obvious to us as members of that committee, and I think the House will agree with us, that the question raised is an exceedingly important one. The thanks of the House are due to Mr. Drew, the chairman of that select committee, for having obtained an extension of time, because he has informed us that it is not necessary for the committee in order to bring their report forward that they should really have these telegrams. But of course this action could not be allowed to pass and the privileges of Parliament attacked as they have been by the Federal authority without some definite stand being taken. It was obvious to us, and I think it must be obvious to the House, that if the contention of the Federal authorities is to hold water, the production of original telegraphic messages is liable to be prevented in a court of law, it would seem, because the contention is that it is only by the appointment of a royal commission that these original telegraphic messages can be produced. I cannot conceive for one moment that Section 127 of the Federal Post and Telegraphic Act will ever be allowed to have that meaning put upon it. I am sure that if this question is to be decided by the High Court where the Federal authority comes into conflict either with the Houses of Parliament of this State

or of some other State in Australia, the position which has been taken up by the Federal authority will not be supported for one moment. There is no doubt that Section 127 of the Post and Telegraphic Act is a very important and proper section to find a place in that legislation; but the obvious intent, as the report indicates, is to prevent a surreptitious divulging of matters contained in those telegraphic messages. If in the course of prosecuting a person who had forged a telegram it could for one moment be successfully contended that the telegram need not be produced in a court of law in this or in any State, and could only be produced before a royal commission, trouble would arise and difficulty occur which would prevent any amount of business from taking place. I am sure no reading of the Federal Post and Telegraphic Act will justify it for a moment. The position of one of the branches of the Legislature of this State, in fact of both Houses, concerning this matter cannot be allowed to remain as we find it at the present time, because although this committee may be able to report satisfactorily to the House and arrive at a proper conclusion without the production of these particular telegrams, a precedent will be created, and I think the House would be doing a very wrong thing indeed in allowing the Federal authority to take up the position they do. There is only one course to be adopted, and that is the course indicated in the report, that the members of the committee be directed to proceed under the Standing Orders and Parliamentary Privileges Act, to call upon the Deputy Postmaster General to produce this particular document, and in the case of failure to do so the necessary steps shall be taken so that the privileges of the State shall be maintained as stated in the report.

#### PROCEDURE.

**THE PRESIDENT:** The question is that the report be received and printed.

**HON. J. W. HACKETT:** Is it not that the report be printed? Then the hon. member can give notice of proceedings. I do not know whether we are in order in discussing it.

**HON. M. L. MOSS:** We may discuss any motion.

**HON. J. W. HACKETT:** The Standing Order (331) says:—

Upon the presentation of a report, no discussion shall take place; but the report may be ordered to be printed with the documents accompanying it.

**HON. M. L. MOSS:** That is for a select committee. This is a sessional committee.

**HON. J. W. HACKETT:** I take it the same rule applies. It is a report brought up by a committee.

**HON. M. L. MOSS:** I have a recollection of an instance where we referred certain matters to the Standing Orders Committee with reference to the rights of members in this House to have tickets of admission. That necessitated an amendment of the Standing Orders, and I think that amendment was brought in, received, and adopted on the one day.

**THE PRESIDENT:** Perhaps it would be better to have the report printed, if the member in charge would amend his motion.

**HON. M. L. MOSS:** I will move that, though I hardly think the Standing Order which Dr. Hackett has quoted justifies him in saying my remarks have been irrelevant.

**HON. J. W. HACKETT:** No; not irrelevant.

**THE PRESIDENT:** There are no declarations whatever as to the procedure in sessional committees.

**HON. J. W. HACKETT:** I think we can regard the report of a sessional committee as a report of a select committee. Of course if there is to be discussion, notice will have to be given.

**THE PRESIDENT:** The question (as amended) is that the report be received and printed.

Question put and passed.

**HON. M. L. MOSS:** I give notice that the consideration of the report be made an Order of the Day for the next sitting of the House.

#### BILL—STOCK DISEASES ACT AMENDMENT.

##### IN COMMITTEE:

Clause 1—agreed to.

Clause 2—Amendment of 59 Vict., No. 34, s. 4:

On amendments by the **HON. J. W. HACKETT**, the words "and includes ticks,

lice, or any parasite" were inserted after "subject," the same words at the end of the clause being struck out.

Clause as amended agreed to.

Clauses 3, 4—agreed to.

Title—agreed to.

Bill reported with amendments; the report adopted.

## BILL—LAND TAX ASSESSMENT.

### MACHINERY MEASURE.

#### SECOND READING MOVED.

The COLONIAL SECRETARY (Hon. J. D. Connolly): In rising to move the second reading of this Bill, I can assure members I do so with a considerable amount of diffidence; because in the first place I recognise how unpleasant this or any other form of taxation is to have to introduce, and also because I recognise, if reports be true, that in this instance I am introducing a measure that, to say the least, is not as popular or as welcome to this House as some other measures I have introduced during the session. However, when the Government accepted office they recognised, of course, that they would have many disagreeable duties to perform; and the disagreeable duties have to be discharged as necessarily as have the agreeable ones. I think I can safely say that, notwithstanding that this measure is supposed not to be as popular or as welcome to this House as some other measures, I have been a member of this House sufficiently long to know that this or any other measure, whether agreeable to the Chamber or not, will receive that calm and careful consideration for which this House is especially noted. In approaching a matter of this kind, I recognise also that it has several aspects which should be put before the House. Firstly, we have to consider—and this is, I suppose, the most important aspect—the question: Is this measure of taxation necessary, and do we require the revenue it will produce? Secondly, we must consider whether the proposition now put before Parliament is the most fair and equitable way, assuming we do require increased revenue, of raising that revenue. Thirdly, we have to consider very carefully whether this taxation or any taxation—in this instance taxa-

tion on land—will tend to the prosperity of the State as a whole? To deal with the first question whether we require extra revenue, I propose to place before the House, as concisely as possible, a statement of the finances at the present time as compared with what they were some five years ago when we entered Federation, and thereby lost our great revenue-producer, the Customs. To show clearly what we have lost in direct revenue by joining Federated Australia, it will be necessary for me to show what we derived from the Customs as compared with what we derive now, and thus show how much revenue we have lost by handing over our Customs taxation. I shall need also to show that it will be necessary for us to make good this amount from some other direction. Take the Customs first. From the 8th October 1901 to the 30th June 1902, that is for the first nine months under Federation, we derived from the uniform duties £1,134,045 and from the special tariff £201,569, together £1,335,000 (omitting the odd figures in all these cases). This left a surplus returned to the State for the first nine months after joining Federation amounting to £1,225,000. Then for the financial year 1902-3 the uniform tariff yielded £1,162,000 and the special tariff £233,000, or slightly more for the twelve months than for the previous nine months, namely £233,000 as against £201,000. I want members particularly to note that the surplus returned to the State for the second year under Federation was £1,255,000, or only £30,000 more than had been returned for the first nine months in the preceding year. In the financial year 1903-4 the uniform tariff was £1,061,000 and the special tariff £196,000; surplus returned, £1,065,000—that is nearly £190,000 less than in the preceding year. In 1904-5, uniform tariff £1,029,000, special tariff £142,000; the surplus returned being £1,027,000. Coming nearer to the present, in 1905-06 the uniform tariff yielded £1,032,000, the special tariff £78,000; and the surplus returned was only £872,922, as against £1,225,000 for the first nine months after Federation. The falling off therefore in the Commonwealth surplus revenue returned to the State amounted in the four years to £352,000. In addition to that, it has

to be remembered that in the same period there was an increase in our interest fund and sinking fund. Our interest bill in 1901-2, when we entered Federation, was only £602,000, while for the last financial year 1905-6 it amounted to £822,000, or an increase in our interest bill of £219,000 as compared with the year in which we entered Federation. From the revenue decrease and the interest increase there resulted a shortage of £571,000 in the consolidated revenue available for general purposes in the last financial year 1905-6. I want members to bear the fact in mind that we have begun the present financial year with a shortage of £571,000 in the consolidated revenue as compared with the year 1901-2. It is anticipated also that in the present financial year there will be a farther decrease of at least £100,000 and a farther increase in our interest bill of £30,000, which together will increase the shortage to £701,000 as compared with the first year of Federation.

HON. R. F. SHOLL: But there have been compensating increases.

THE COLONIAL SECRETARY: I do not wish the House to suppose there are not some compensating aspects of the question. We are not in the position—and it would be rather unfortunate if we were—that we have the whole of that £701,000 to make up. The State revenue, as distinct from the Commonwealth, has increased in the four years I have quoted by £556,000; this showing there have been increases in our own revenue during those years. These increases have been—Harbour dues in 1901-2 £23,000, in 1905-6 £70,000; Land revenue in 1901-2 £145,000, in 1905-6 £191,000; Mining revenue in 1901-2 £113,000, in 1905-6 £170,000; Licences in 1901-2 £29,635, in 1905-6 £42,000; Railways have shown a very respectable increase, the revenue in 1901-2 being £1,486,000, in 1905-6 £1,648,000; Water Supply revenue (including the Goldfields Water Supply) also shows a very big increase, the revenue in 1901-2 being £15,000, in 1905-6 £114,000.

HON. W. KINGSMILL: That ought to be more. The price should be higher, as it will never pay at the present rates.

THE COLONIAL SECRETARY: Stamps in 1901-2 yielded £44,000, in 1905-6 £59,000; Dividend Duty tax in

1901-2 £85,000, last year £137,000. Of course it has to be remembered that the population has increased very considerably during the last five years, and while the revenue has increased in the different departments I have quoted, naturally the expenditure has increased also. To give a few instances—in Lands and Surveys the expenditure in 1901-2 was £58,000, in 1905-6 it was £112,000; in Agriculture the expenditure in 1901-2 was £12,000, last year it ran up to £49,000; in Mining the expenditure in 1901-2 was £101,000, last year it ran up to £230,000; these figures showing a difference in the three departments I have mentioned, Lands, Agriculture, and Mining, of from £173,000 in 1901-2 to £392,000 last year, or an increase of £219,000. Of this total increase in the State revenue of £556,000, new development work in the Lands and Mines absorbed last year £219,000; and deducting this, we have £337,000 available as a setoff against the £701,000 shortage I mentioned previously as due to the loss of Customs revenue. This leaves a net shortage of £364,000 this year as compared with the year 1901-2, without taking into account the annual growth of the different departments, as I previously mentioned. Taking Education, for instance, with the growth of population the expenditure must of necessity increase.

HON. W. KINGSMILL: The increase was under £2,000 last year.

THE COLONIAL SECRETARY: I mention that as only one item. The hon. member has interjected that in one particular department the increase was only £2,000; that was in Education. In 1901-2, Education cost £101,000, and last year the amount was £162,000, an increase of £60,000 in four years.

HON. M. L. MOSS: Of course the number of children attending school is greater.

THE COLONIAL SECRETARY: I am only answering the member who said there was an increase of under £2,000 last year.

HON. W. KINGSMILL: I said the increase was under £2,000 last year only.

THE COLONIAL SECRETARY: The hon. member said that the increase was under £2,000 last year, and I wanted to put members right; not to conclude that the increase was £2,000, when in fact

since we have joined Federation the average increase has been at the rate of £10,000 a year. To describe this question of the necessity for raising farther revenue by a land tax or other means, I will compare matters in a different way. The actual deficit for the year 1905-6, last year, not including the deficit for 1904-5, was £73,378. I want members to note that this deficit was created with expenditure on public works out of revenue of only £238,000. This amount is much less than has been expended in any other year. Take the year previous, 1904-5, the expenditure in this respect was £337,000, and that is a decrease even from the year before of £100,000. I want to point out to members that the deficit would have been very much greater if there had been more public works constructed out of revenue. In addition to this it is estimated the surplus revenue returned to Western Australia this year from the Commonwealth will amount to £100,000 less than last year. This is made up by the abolition of the interstate duties, a shrinkage of the uniform tariff, and the estimated increased expenditure of the Commonwealth. The increase in the interest and sinking fund bill will be £30,000, of which £26,000 is charged on the loan of 1901, only a proportion of which was chargeable last year. The balance is contemplated for farther loan flotation. If we borrow more money to build railways for instance, we must provide the extra interest and sinking fund. That accounts for the anticipated increase next year in the interest and sinking fund bill, and it is estimated that it will be £30,000, but probably we shall only require £26,000. [MEMBER: All loss; no revenue.] On a general calculation one must provide for interest on loans. Briefly we have the following position:—The expenditure for 1905-6 was £3,632,000 and the revenue was £3,558,000, leaving a deficit on the year of £73,378. Now the problem before us, and the reason for the introduction of the Land Tax Bill, is, how are we to make up the loss of £200,000? The deficit last year was £73,000, and the estimated Commonwealth shortage which I have mentioned is £100,000, while the increase in the interest and sinking fund is £30,000, which make a total of £203,378. That is the actual

amount we have to make up this year as against last year, not including the deficit of 1904-5, which amounted to £46,000. Altogether we will be behind by £249,000, in round figures a quarter of a million.

HON. M. L. MOSS: A land tax is no good for that.

THE COLONIAL SECRETARY: The hon. member wants more taxation, then?

HON. M. L. MOSS: No; more economy.

SIR E. WITTENOOM: Will the hon. member take the House into his confidence and make it perfectly clear how the deficit is to be made up, because the amount of revenue to be derived from the land tax is estimated at £60,000?

THE COLONIAL SECRETARY: I intend, before sitting down, to show exactly the position. I have already indicated that to balance our book against last year we have to make up £200,000, and to make up the whole deficit we require £250,000.

HON. W. T. LOTON: What about economy in expenditure?

THE COLONIAL SECRETARY: We only anticipate that we shall get from the land tax £60,000, which is not quite one-third of the amount. The other amount has to be made up in decreased expenditure and economy. I may say farther in answer to Sir Edward Wittenoom, that it can hardly be expected I can indicate, nor would it be right of me to indicate, how it is intended to make up exactly the expenditure.

SIR E. WITTENOOM: Approximately.

THE COLONIAL SECRETARY: I will state what we expect to derive from the land tax, and in what directions we expect to make up the balance. It can hardly be expected I will state exactly how the amount can be made up. That will be outlined in a very few days, I hope, by the Treasurer when making his Budget Speech in another place. I think the figures I have given to the House prove at any rate that there is serious necessity for fresh taxation, and it also proves that taxation will have to be derived from one or two sources. Since the Commonwealth has taken over our Customs, that avenue of raising revenue is closed to us. It resolves itself into this, that to derive any appreciable amount we must either apply a land or an income tax. These are about the only sources left to us to make up the defi-

ciency I have indicated. Of the two sources I have mentioned I certainly think the land tax is more preferable than an income tax. [HON. R. F. SHOLL: No.] If the hon. member had to pay an income tax he might think it more objectionable than a land tax. There is really an income tax in force in the State now. I have the figures derivable from it. The dividend duty tax is responsible for the collection of a sum of about £137,000. That of course is an income tax on the shareholders in any joint-stock companies holding shares in mines, banks, breweries, gas companies, or other concerns.

HON. R. F. SHOLL: Breweries don't pay.

THE COLONIAL SECRETARY: There are some exceptions. But most of these companies pay the respectable sum of five per cent. annually on the dividends declared; so that if we instituted an income tax instead of the present proposal we would lose this source of revenue. I doubt whether we should derive more from an income tax than from a land tax as now proposed, and members will agree that a land tax is preferable to or is less objectionable than an income tax. One objection that may be raised to a land tax is that it will stop settlement; but when members have heard and read the provisions of this Bill, they will be satisfied there is nothing in it that will in the least retard settlement. All other Australian States (except Queensland), with New Zealand, have a land tax; and it certainly has not stopped settlement there. New Zealand has had a land tax for many years, also South Australia, and settlement there has gone on as merrily as in other places.

HON. W. PATRICK: Their lands were all settled before the tax was put on.

THE COLONIAL SECRETARY: I certainly admit the tax may prove a hardship, and I hope a deterrent to some holders of large estates.

HON. W. T. LORON: There are not many in this State.

THE COLONIAL SECRETARY: There are not many; but I hope it will force those who hold large estates to utilise their land or sell it. Let me say here that while in the other States the land tax is mostly aimed at large estates

with the object of bursting them up by penalising the owners, such is not the intention of this measure. The Bill has not been introduced for the mere purpose of taxing land, but for obtaining necessary revenue. Perhaps it will be of interest and will assist members if at this stage I briefly give an outline of the systems in vogue in other States, so that members may compare those systems with that proposed in this Bill. In New South Wales the Assessment Act and the Land Tax Act are separate measures, the same as proposed here, to facilitate the periodical amendment of the tax as to amount. At present the tax in New South Wales is 1d. in the £ on the unimproved value of land, and is imposed on all land in town and country. Exemption is allowed to any one person or company up to £240, which amount is deducted from the value of the land after assessment. The amount collected in New South Wales in 1904-5 was £323,000.

HON. W. MALEY: What was the cost of administration?

THE COLONIAL SECRETARY: I will come to that presently. In Victoria there is a land tax of  $1\frac{1}{4}$ d. per cent. on the capital value; but it is specified that the tax shall be levied only on estates of 640,000 acres and upwards; all estates below 640,000 acres in area being exempt, although separate areas not more than five miles apart held by one owner and making together 640,000 acres or over are taxable. There is exemption to any one person or company up to £2,500.

HON. R. F. SHOLL: That is freehold, I suppose.

THE COLONIAL SECRETARY: I am not certain on that point. The Act in Victoria, as in New South Wales, is administered by three commissioners; and classifiers are appointed as required, whose duty it is to classify the land into four classes according to the number of sheep it will carry to the acre. Land that will carry two sheep to the acre is valued at £4,  $1\frac{1}{2}$  sheep at £3, 1 sheep at £2, less than one sheep at £1. An appeal lies to the commissioners from the decisions of the classifiers. The amount collected under this tax in 1904-5 was £97,000. I wish members to note particularly that the Victorian Act is aimed at large estates, to penalise the owners.

It is not a tax of  $\frac{1}{4}$ d. in the £ on the unimproved value as here, or  $\frac{1}{2}$ d. on land not sufficiently improved, but is a tax of  $1\frac{1}{2}$  per cent. of the capital value. In South Australia the Act is administered by one commissioner, and the tax for 1905 was  $\frac{1}{4}$ d. in the £ on the unimproved value, with an additional tax of  $\frac{1}{4}$ d. in the £ on estates over £5,000 in value. It is a graduated tax in that State, and there are no exemptions; absentees from the State for 12 months pay an extra 20 per cent. The amount collected in South Australia for the year 1904-5 was £115,000. In Tasmania as in Victoria, the tax is evidently applicable only to rural lands; it is a progressive land tax on the following scale:—If the value of the fee simple is under £5,000,  $\frac{1}{4}$ d. in the £; between £5,000 and £15,000,  $\frac{1}{2}$ d. in the £; between £15,000 and £40,000,  $\frac{3}{4}$ d. in the £; between £40,000 and £80,000,  $\frac{1}{2}$ d. in the £; over £80,000, 1d. in the £. The amount collected in 1904-5 was £54,000. The machinery clauses in the Tasmanian Act are based on the New South Wales Act, from which also our Bill is largely drawn. In New Zealand the position is that there is a progressive land tax and also an ordinary land tax, the amount being fixed annually by rate, and both are levied on the unimproved value. The progressive tax is levied on all lands of a value of £5,000 and upwards, the scale rising by stages from 1-16th of a penny in the £ on estates valued at between £5,000 and £7,000, rising to 3d. in the £ on estates valued at over £210,000. Absentees from the Colony for over twelve months are taxed 50 per cent. above the schedule rates; and a similar provision is made in our Bill. The ordinary land tax in New Zealand for 1905 was 1d. in the £; native lands occupied by Europeans were taxed at  $\frac{1}{2}$ d. in the £. There is an exemption of £500 allowed on all lands up to £1,500 in value; on the remainder there is a sliding scale beginning at £1,500 and ceasing at £2,500. The amount collected in New Zealand under this taxation last year was £352,000. Owing to the deductions made under exemption, the number of land-tax payers represented only 20 per cent. of the total landowners. In the case of land undervalued by the holder and his refusing to increase the valuation

as required by the commissioner, the Government may purchase the property at the owner's valuation plus 10 per cent. Coming back to this Bill, which as I said is largely based on the New South Wales Act, I may state here for members to note that the Assessment Bill of which I am moving the second reading—and I think it would save time if I were to deal with the two Bills together in my general remarks—is only a machinery measure for imposing a land tax. The taxing measure itself is a very short Bill, and will have to be enacted or varied every year or not, as Parliament may decide. The Assessment Bill does not tax the land at all, but merely provides the machinery for taxation. In some of the other States—in New South Wales and South Australia, and also in England in relation to the income tax—taxation is provided for in two measures. This is found to be of considerable utility, and I think this House particularly will recognise the benefit of having the taxation proposals contained in two distinct measures. It may happen that this House, when the taxing Bill has to be enacted from year to year, may consider it unnecessary to have the same rate of taxation as the preceding year, or may consider that a tax is not necessary at all in the particular year. In that event the House would be within its right in reducing the amount of the land tax or in rejecting a land tax entirely for that year. It does not follow that because this taxing Bill is passed this year it will need to be enacted every year; nor need it be of the same amount every year. The House in its wisdom may see fit to raise or lower the amount, or may refuse to impose a land tax at all in a future year.

HON. M. L. MOSS: I am afraid that part is only a sugar-coated pill.

THE COLONIAL SECRETARY: The hon. member may not like a land tax; but it is my duty to present the Bill to the House in its true light. The hon. member may probably present its bad side—I think I can trust members who do not like the Bill to set forth any bad points they may find in it.

HON. J. W. HACKETT: Nobody likes a taxing Bill.

THE COLONIAL SECRETARY: Quite so; and seeing that there are members who do not like a land tax, and



who will have ample opportunity of pointing out the hardships it may entail, it behoves me to bring out all the good points of the measure. I want members to understand that this Bill is intended to be enacted for one year only. I have shown that the finances of the State require that we raise farther revenue; and the finances require that we should raise the amount which we anticipate from the taxing Bill at the lowest possible amount, namely  $\frac{3}{4}$ d. in the £ on the unimproved value of land. Last year, when the Legislative Assembly of South Australia altered the character of the tax from an ordinary to a graduated land tax and sent it on to the Upper House, that House in its wisdom not only rejected the graduated tax, but decreased the amount of the ordinary tax from 2d. to 1d. in the £. It had been increased from 1d. to 2d. in a previous year on account of a shortage in the revenue, and the South Australian Upper House decided last year that the 2d. rate was not necessary to be continued, and therefore rejected it. These remarks are rather outside the Assessment Bill; but it will be better, as I have said, to discuss the two Bills together. The tax fixed in the taxing measure is  $\frac{3}{4}$ d. in the £ on the unimproved value, with 50 per cent. extra for land insufficiently improved and with double the rate for absentees. An absentee is defined as a person residing outside the State for 12 months, and that is the definition in all the Acts of the other States. When members enter into their calculations as to how the Bill will affect people, I wish them to bear in mind that it is only  $\frac{3}{4}$ d. in the pound or 1 $\frac{1}{4}$ d. in the pound as the case may be on the unimproved value; that it does not affect the land one iota as to the amount of improvements put on it, and that it always comes back to the question of what the land is worth, deducting all permanent improvements. In this Bill there is a provision which is rather a new thing in land taxation, that is for a rebate. The tax is fixed at 1 $\frac{1}{4}$ d. in the pound, but there is provision for a rebate for anybody that improves his land up to one-third the amount of unimproved value. This provision, as I say, is quite new. It is obvious that its reason is to encourage and not to penalise a man who makes

good use of his land. [HON. W. MALEY: And to tax him later on.] Agricultural and horticultural land outside the boundaries of a municipality will be deemed improved when the improvements on a block amount to one-third of the unimproved value of the block, or where they are permanent if the improvements are to the value of £1 per acre. It is set out in Clause 9, I think, what the improvements consist of. The amount of improvements requisite on conditional purchase blocks being specified in the Land Act under which the block is taken up, every conditional purchase will be deemed to be improved land and will come in at the cheaper rate. The holders of conditional purchase blocks, according to the conditions specified when they take up the blocks, must expend 10s. per acre before they get the freehold; but it is not necessary, under this Bill, for a conditional purchase holder to spend that 10s. before he comes in at the cheap rate; so long as he complies with the conditions set down in the Land Act he may do so. Of course if he does not comply with the conditions his land is forfeitable. He has to fence the land within the first five years, and that fencing will be deemed to be an improvement; consequently all conditional purchase holders come in at the lower rate of  $\frac{3}{4}$ d. He cannot hold his land unless he complies with the conditions, and so long as they are complied with he comes in at the cheapest rate of  $\frac{3}{4}$ d. in the pound. It is provided that a person owning several blocks of land not more than ten miles apart may effect improvements on the one block and these improvements will count as improvements on all the blocks within that radius of ten miles. We know that a person wishing to take up say 1,500 acres may be obliged to take up 500 acres here and 500 acres some distance away. If he takes up these blocks within a radius of ten miles and puts all the improvements on one block, they will count for the whole 1,500 acres as if the blocks were adjoining.

HON. C. E. DEMPSTER: Why limit it to ten miles?

THE COLONIAL SECRETARY: There must be a limit. It would be hardly fair to extend it to an indefinite distance. If a man held a block at

Geraldton and another block at Bunbury, it would be obviously unfair to allow the improvements on the Geraldton block to hold good on both blocks. Those are briefly the provisions relating to rural lands. Let me now take town lots. Town lots will be deemed to be improved if they have improvements effected on them to one-third of the unimproved value of the land or to the extent of an amount equal to £50 per foot frontage. The latter provision is obviously put in to meet the case of high-priced city property. Take the case of a block in the centre of the city between Barrack Street and William Street; I suppose that land is worth £300 or £400 a foot.

HON. W. T. LORON: Not much of it.

THE COLONIAL SECRETARY: It has been sold at that.

HON. W. T. LORON: Very little of it.

THE COLONIAL SECRETARY: A block near Drake and Stubbs's ironmongery warehouse sold at nearly £400 a foot, and four years ago a block to my knowledge brought £350 a foot. However, put the price down at £300 a foot, with a 100ft. frontage the unimproved value would be £30,000, and to come in on the one-third rebate basis the owner of the block would need to put up buildings worth £10,000; but supposing a person had *bona fide* improved the land ten years ago by erecting a building worth £6,000 or £7,000, probably good enough for the time and even now not out of date, it would be obviously unfair to tax that land at the high rate and call it unimproved land. Therefore, to cover the case of high-priced property we put in the Bill the provision that improvements equal to £50 per foot frontage will be sufficient; so that in the case of a block of 100ft. frontage worth £30,000, it would be deemed to be improved if the improvements were valued at £5,000.

HON. J. W. HACKETT: City blocks are of very uneven depths.

THE COLONIAL SECRETARY: The depth does not make much difference. It is not often taken into consideration where there is a good street to front. If the depth is shallow the land is used for offices and places that do not require a great depth; in other streets where the blocks have a good depth they are used for the purposes of buildings requiring a good depth. There are some total exemp-

tions under this Bill; for instance, public parks, reserves, university endowment lands, cemeteries and public hospitals—I think these are to be found in Clause 11—lands for municipal councils, roads boards or similar bodies, benevolent or public charitable institutions, churches or chapels for public worship and sites of residences for ministers of religion, unless they are making a profit or gain out of the land. That is to say if they put up buildings on the land and let them, or make a gain in any other way, the land will be taxable, but so long as it is used solely for the purposes of a church or chapel or for the site of a residence for a minister of religion, the land will be exempt. [Interjection by HON. R. F. SHOLL.] If the land is idle it cannot be said to be used for the purpose of a residence for a minister of religion.

HON. J. W. HACKETT: Why exempt religious schools only?

THE COLONIAL SECRETARY: State schools will be exempt. This is an old provision, exactly the same as in the Municipal Institutions Act. It has been in existence for a number of years in that Act and is contained in it now. It is taken from that Act word for word. Mining tenements within the meaning of the Mines Act 1904 and timber leases under the Land Act 1898 will be exempt.

HON. M. L. MOSS: What is included in the term "statutory public body?"

THE COLONIAL SECRETARY: Such as cemetery boards and hospital boards; they are very numerous.

HON. M. L. MOSS: Would it include the Western Australian Bank, which is constituted under an Act?

THE COLONIAL SECRETARY: You could not call the Western Australian Bank a public body. The hon. member must know it does not apply to anything like that. The Western Australian Bank is a very desirable institution, no doubt, but it will be subject to this land tax. Under the total exemptions also come conditional purchases for the first five years up to 1,000 acres. This provision is specially inserted in order that the Bill may not in any way tend to stop people from taking up land. A person can take up a conditional purchase block to the extent of 1,000 acres and know that the tax will

not touch him for the first five years. There is partial exemption on country land to £250 till the unimproved value reaches £1,000. If a person holds rural land to the unimproved value of £1,000 he will only pay the tax on £750; if he holds rural lands to the unimproved value of £750 he will only pay the tax on £500; but if he holds rural lands of an unimproved value of over £1,000, say £1,200, he gets no exemption. The partial exemption only applies to holders of country lands up to £1,000 unimproved value. On city lands it is less. The only exemption on city lands, that is land within municipalities, is on land the unimproved value of which is less than £50. Any land the unimproved value of which is over £50 is not exempt. If a block is worth £75 the holder will have to pay the tax on £75; but if the block is worth only £49, the holder will be totally exempt. This proviso is put in to encourage the poor man or working man to acquire his own block. When he gets over that value I do not think it is necessary to exempt him. For instance, if you take a block valued at £100, the man who owns that particular block would probably build a house worth £500 or £600, and his property would then be worth £700. Therefore it is not too much to ask him to pay taxation on £100, which under this Bill will amount to 6s. 4d. per year.

HON. M. L. MOSS: He might have his property fully encumbered by mortgage, and yet he would have to pay the full tax.

THE COLONIAL SECRETARY: He may have it encumbered to the extent of half that amount, and then he would have property of the value of £350, on which he would have to pay 6s. 4d. Money lenders are not apt to lend money to the extent of more than 50 per cent. of the value of the property. [MEMBER: They do.] As I have already mentioned, absentees will have to pay 50 per cent. more. [MEMBER: Why should they?] We do not derive the same amount of revenue from the man who lives out of the State as from one who lives in it, and therefore we have to make it up in some way, and we put on a slight impost. For the first year we would probably take the valuations of municipal councils or roads boards, but for the succeeding years

there would probably be a new valuation made. It does not follow of course that there would be a valuation made every year. It is not compulsory, and it is very unlikely that any Government would go to the expense of having a valuation every year.

HON. J. W. HACKETT: What is the cost of a valuation to the Government?

THE COLONIAL SECRETARY: I am coming to that in a minute. There is contained in the Bill a necessary provision for a court of appeal, if people consider their valuations too high. That is included in Clauses 7, 8, and 32. Some member interjected, what would it cost to collect this tax? It is hard to say definitely what the collection of this tax would cost. In New South Wales they have a land and an income tax together, and you cannot divide the thing, but naturally the cost of collecting the income tax in addition to the land tax would be very much greater than that of collecting the land tax alone. The cost of collecting the land and income tax there is 7·74 per cent. of the amount collected; in South Australia 4·70; Victoria, land only, 2·30; New Zealand, land graduated and mortgage, 4·28. We estimate the cost of collection here (and I think we are on the safe side) at 5 per cent. I have already stated that we expect to derive from this tax about £60,000 a year. It may be interesting to members if I show exactly how we arrive at that amount, giving the estimated receipts from the land tax of  $\frac{3}{4}$ d. in the pound on unimproved value, with 50 per cent. extra for absentees, and double the rates for land insufficiently improved, as provided in this Bill. The estimated unimproved value of freehold municipal land in the State to-day is, taking the municipal valuations, £8,614,000, leaving out the odd hundreds. We deduct from that, land which would come under exemption, £490,000, making a total taxable of £8,123,000. That is the unimproved value of the land inside the municipalities of the State to-day.

HON. M. L. MOSS: That is taking the municipal return, which is very unreliable.

THE COLONIAL SECRETARY: It may be unreliable. In the roads boards districts the unimproved value of free-

hold is estimated at £5,831,267, less exemptions. The exemptions naturally would be more in the roads boards districts, because we allow an exemption up to £250, while in the municipalities the exemption is only £50. The amount of the exemptions is £1,256,885; so the total unimproved value of the lands contained in the roads districts on which we should levy the tax would be £4,574,000. The total taxable value of freehold lands, that is inside and outside municipalities, will be £12,698,000. The estimated amount derivable from uniform tax of  $\frac{1}{4}$ d. in the pound on the freehold is £39,000; estimated amount derivable from uniform tax of  $\frac{1}{4}$ d. in the pound on Crown leaseholds, £3,300; estimated amount derivable from extra on absentees—absentees being treated as representing 5 per cent. of the total value, £1,074; estimated amount derivable from extra on land insufficiently improved, treated as 25 per cent. of the total, £11,015. This makes a total of £55,073. The alienated area of land and land in process of alienation outside municipalities may be set down at 12,300,000 acres, which at 10s. an acre represents an unimproved value of £6,150,000. The estimated unimproved value of such land, based on the returns furnished by the various roads boards, was £5,831,000, or 9s. 6d. an acre. The increased value of land adjoining towns and in towns in roads boards districts will bring in say £5,000; making a total of £60,073. [Interjection by SIR E. H. WITTENOOM.] After the first valuation we shall probably make a valuation. There is no doubt that the valuations of roads boards have been on the low side; but in this calculation we are allowing for £5,000 a year. I have already shown that we have to make up £200,000. I have just stated that we expect to derive £60,000 and odd from this tax, and I have shown the House how our estimate has been arrived at.

SIR E. H. WITTENOOM: Is a person living in another part of Australia considered an absentee?

THE COLONIAL SECRETARY: No. That would be against the Commonwealth Constitution. It was so in South Australia, but they had to alter it.

HON. M. L. MOSS: Supposing a foreign company were registered outside Western

Australia, would that be regarded as an absentee?

THE COLONIAL SECRETARY: Yes. A foreign company is an absentee. I have already shown that we have to make good £200,000, and I have shown also that this will bring in only £60,000, and how that sum has been arrived at. As I said at the beginning, we intend to make up the difference by reduction in the cost of administration, which we are endeavouring to effect every day, and I can assure members that it is a very hard and trying task. We have made a reduction of 20 per cent. in subsidies to municipalities, which will effect a saving of £16,000 a year; but it will not of course take effect until the 1st November, the end of the municipal year, and consequently we shall not get the full benefit of that this year. In regard to public works to be paid for out of revenue, there will be economies wherever possible. I cannot now give the details, but you will probably have them before the Bill finally passes this House, showing exactly how we propose to make up the balance between this £60,000 and the £200,000. That of course will be given in the Budget Speech. I have already mentioned that this is a fair form of taxation, and I do not think it will press heavily on anyone at all. I will give members now some instances that will perhaps put the matter before their minds better as to how this tax will affect the people. In the case of certain people, and in fact with the majority of people, it is rather the name of the land tax which is repugnant, and I think that when people get used to it they will not mind it in the least.

HON. J. W. WRIGHT: Enjoy it.

HON. J. T. GLOWREY: How do you propose to assess large pastoral leases?

THE COLONIAL SECRETARY: I will give you some examples of the incidence of this tax. Take first of all rural lands; take a freehold of 250 acres, which is a very small farm. We will put the capital value of that land at £500 including the improvements. That farm would be assessed at a capital value of £500, and from that has to be deducted the value of the improvements. Take say 50 acres cleared and cropped, which would probably be £75; fencing, 3 or 4 miles, £90; a house which would prob-

ably be worth £100; well and shed, £20; making a total of £285 for improvements, leaving the unimproved value at £215. So this farm would be totally exempt, the amount being under £250. There would be total exemption in this case. Take a farm a little larger, say one of 1,000 acres, which would be a very nice-sized farm. We will put the capital value of this farm at £1,500. The improvements will have to be valued, to arrive at the unimproved value for taxation purposes. Take 200 acres of that as cleared and cropped, at 30s. per acre, £300; the remaining 800 acres as ringbarked, value £60; six miles of fencing, £180; dam, shed, etc., £100; house, £200; these make the total improvements worth £840; then deducting this amount from the capital value of £1,500 leaves a sum of £660 as the unimproved value and as the amount taxable, less £250 exemption. The unimproved value being under £1,000 and the improvements on the land sufficient within the meaning of the Act to entitle the owner to the exemption, therefore the actual amount taxable would be £410, which at  $\frac{3}{4}$ d. in the £ would amount to £1 5s. 6d. Take another farm of 600 acres: capital value, say £1,200; the improvements consist of 100 acres cleared and cropped £200, 400 acres ringbarked £40, house and sheds £150, three miles of fencing £90; these make a total value in improvements of £480 to be deducted from a capital value of £1,200, leaving £720; this being under a total value of £1,000, the owner is entitled to an exemption of £250, leaving £470 as the taxable value, and a tax at  $\frac{3}{4}$ d. in the £ would amount to £1 9s. 3d.

HON. E. M. CLARKE: What would a man pay on a property worth £1,200, thoroughly improved?

THE COLONIAL SECRETARY: He would pay at the rate of  $\frac{3}{4}$ d. in the £; between £3 and £4. The hon. member can work it out. If hon. members will listen while I give a few examples I have here—

HON. J. W. HACKETT: Have they not all been published?

THE COLONIAL SECRETARY: No. I worked them out only last night. These examples are on a different basis from those quoted in another place.

HON. J. W. HACKETT: Which are the correct ones?

THE COLONIAL SECRETARY: These figures are correct on this basis; the others quoted are correct on the basis then taken. Now, take the case of a rural freehold of 3,000 acres, the capital value of which is £5,000; improvements, 300 acres cleared and cropped £600, fencing £400, house £500—it is fair to assume that a man owning a farm worth £5,000 would have improvements to this extent and live in a house worth at least £500—barns, stable, and shed £300; sheep-dip £100; dams, well, windmills, etc., £200; five acres of orchard at £30, £150; these make a total value in improvements of £2,250, and this deducted from the capital value of £5,000 leaves a taxable amount of £2,750; the improvements in this case being more than one-third of the unimproved value, the owner would be entitled to the rebate and would pay at  $\frac{3}{4}$ d. in the £, which on £2,750 would amount to £8 11s. 9d. One member interjected that he would much prefer an income tax. A man who owned a farm worth £5,000, it is reasonable to assume, would derive from it an income of 10 per cent., say £500; therefore, if he were liable to pay an income tax of only 6d. in the £, allowing that he would make only £500 a year from such a farm, which is moderate indeed, he would pay £15, or 50 per cent. more than he will be liable for under this land tax. Take a still larger farm, to the extent of 5,000 acres: capital value £10,000, 500 acres cleared and cropped £1,000, fencing £1,200, house £600, barns, stables, etc. £400, 9,000 acres ringbarked £675; dams, wells, windmills £500; these making a total value in improvements of £4,375; deducting the improvements from the capital value of £10,000 leaves the amount taxable at £5,625 as the unimproved value of a farm worth £10,000; then having improvements in excess of the stipulated one-third of the unimproved value, the owner would pay at the rate of  $\frac{3}{4}$ d. in the £, which would amount to £17 10s.—a moderate sum to be paid by a man owning property of the value of £10,000. I have now given several examples of properties ranging from 250 acres to 10,000 acres, to see how the Bill will press on people owning rural lands. We

will now take suburban sections of land, say a half-acre block in a good suburb: capital value £1,800; the improvements, house, fencing, lawns, and everything amount to £1,500; the unimproved value of the block before any improvements were made would amount to £300; the improvements being greater in value than one-third of the unimproved value, the block would come in at the cheaper rate of  $\frac{1}{4}$ d. in the £, and the owner being liable on a taxable value of £300 would pay 18s. 9d. a year. Take another suburban block, the unimproved value of which is not so great: capital value £450, improvements £350, unimproved value £100; the amount of tax payable on that at  $\frac{1}{4}$ d. in the £ would be 6s. 3d. a year.

SIR. E. WITTENOOM: It is all a question of valuation.

THE COLONIAL SECRETARY: Take a still smaller section, a working man's block: capital value £300, improvements £255, unimproved value £45; this would be the case of a man with a small block on the outskirts of city or town on which he has put a house and other improvements to the value of £255, leaving the amount taxable at £45; and this being under £50 in value, the block will be totally exempt under the Bill. Take a better class of residence, a town residence: capital value £4,000; a very nice town house which with other improvements in the way of stables, etc., is valued at £3,200; the unimproved value of such a block before improvements were effected would be £800, which at  $\frac{1}{4}$ d. in the £ would mean a tax of £2 10s. a year. Take one still higher example: house and land valued at £6,000, improvements £4,500; the unimproved value of that block would be £1,500, and a tax of  $\frac{1}{4}$ d. in the £ would be £4 13s. 9d. a year.

HON. J. W. WRIGHT: Is not that rather a tax on houses than on land?

THE COLONIAL SECRETARY: I thought I had clearly explained that this is a tax on the unimproved value of land, irrespective of any improvements; and the only effect that improvements will have under the Bill will be to enable a man to come in at the cheaper rate. A town residence of a capital value of £1,200, the improvements in connection

with which amount to £800, would have a taxable unimproved value of £400, and the tax of  $\frac{1}{4}$ d. in the £ would be £1 5s. a year. Take a valuable business block in the outskirts of the city, with a main frontage of 100ft., which we may value at £50 a foot, the capital value of that being £7,000; the improvements being valued at £2,000, the unimproved value would be £5,000; and a tax of  $\frac{1}{4}$ d. in the £ on that amount would be £15 12s. 6d. a year; the block being improved to one-third its unimproved value would entitle it to be taxed under the lower rate of  $\frac{1}{4}$ d. in the £. Or take a block of 100ft. main frontage at £50 a foot: unimproved value say £5,000; this block being unimproved would be taxed at the double rate of  $1\frac{1}{4}$ d. in the £, which would amount to £31 5s. a year. Take a still more valuable block of 100ft. main frontage, valued at £100 per foot: capital value £13,500, improvements £3,500; the unimproved value taxable would be £10,000, and the tax at the lower rate of  $\frac{1}{4}$ d. in the £ would be £31 5s. a year. Take a still higher-priced block, say in Hay Street between Barrack and William Streets, with 100ft. main frontage quoted at £350 a foot: capital value £43,000, improvements valued at £8,000; the unimproved value would be £35,000; and as the improvements would not be up to one-third the unimproved value, the Bill provides specially for such a case in Clause 10, Subclause 3, in the words, "It shall not be necessary in any case to effect improvements exceeding an amount equal to £50 per foot frontage." I have already explained why that provision has been put in. In this instance the unimproved value taxable would be £35,000, and the amount payable would be £109 7s. 6d. a year on this city property worth £43,000. I would like members to note that although the tax in this case would amount to £109 7s. 6d., this is an exceptional case, because the land being valued at £35,000 and the improvements being worth only £8,000, therefore the tax would fall on the greater portion of the capital value.

At 6:30, the PRESIDENT left the Chair.  
At 7:30, Chair resumed.

THE COLONIAL SECRETARY (continuing): When we adjourned I was

giving an example of how this tax would affect city property. I had taken the case of a city property having a frontage to Hay Street of 100 feet, and shown that as the improvements were small in proportion to the value of the land, therefore the tax would fall on 70 or 80 per cent. of the total value.

HON. R. F. SHOLL: How will it be taken?

THE COLONIAL SECRETARY: It will be taken on one frontage only, which will be decided by the assessors, and that again will be subject to the court of review as provided in Clause 10. Let us take another instance, and in this case I have picked out land in a different part of the city, say a city property fronting St. George's Terrace between William and Barrack Streets. This property has a frontage of 100 feet: capital value including improvements is £43,000, and assuming the land is worth £43,000 and the improvements amount to £25,000, the unimproved value will be £18,000; a tax on that property at the lower rate of  $\frac{3}{4}$ d. would be £56 a year. That is a property of the same capital value as the one I previously instanced in Hay Street, only the improvements are of greater value, consequently a lesser amount is taxable. Therefore this property in St. George's Terrace will only pay £56 a year as against the other of the same capital value paying £109 7s. 6d. These two examples show how the tax will press on a city property-owner. Take an instance of a slightly different class, a man owning house property, say the case of a person with a terrace of houses of the capital value of £10,000; the unimproved value is set down at £2,000, that is to say there are £8,000 worth of buildings on the block which is worth £2,000. Naturally the unimproved value will be always less in regard to house property than in regard to city property, because residential ground is always cheaper than city ground. In that case the amount taxable would be £2,000 and would come in at the cheaper rate of  $\frac{3}{4}$ d. in the pound, and the tax which the owner would have to pay would be £6 5s. a year. That is an example of a person owning £10,000 worth of house property, and it shows that such a person would only have to pay the small sum of £6 5s. a year. [MEMBER: In what

locality?] It would be land worth £9 or £10 or £12 a foot. I hope members will not think these examples too lengthy, but I have taken different classes of property, rural, suburban, and city properties to show how the tax will affect the different classes. As I said at the beginning I have taken the two Bills together although they are separate measures. The Tax Assessment Bill will be a permanent measure, while the Land Tax Bill will have to be introduced each year. I have taken the figures in this year's taxation measure at 1½d. in the pound with a rebate of £50 on land improved to the extent of one-third of the value of the unimproved land, or in the case of city property improved to the extent of £50 a foot frontage, or in regard to country lands improved to the extent of half of the unimproved value or one pound per acre. I think I have shown, and I again repeat, that this measure is absolutely necessary to square the finances of the State. I want members to look at the Bill from that aspect. We are not introducing the Bill with any idea of taxing land. The Government do not intend this to be a measure on the single-tax principle or on Henry George's principle.

HON. W. MALEY: Only paving the way.

THE COLONIAL SECRETARY: This is a measure to derive revenue, and if members compare this with the Land Tax Acts of the other States they will see there is a great difference. The Victorian measure aims at large estates, and is intended as a measure to penalise and burst up large estates, and not for revenue purposes also. Our intention is not to bring in this measure for the sake of taxing land, but for the purpose of deriving revenue, and we expect to derive £60,000 from the tax. We have a deficit of close on a quarter of a million, and I ask members to give the measure fair consideration, and if they do that and will consider it apart from a land tax, I am sure they will pass it. I ask members not to be led away with the cry of land taxation, but to look at the Bill calmly and considerately from the instances which I have given, and I am sure they will come to the conclusion that the Government are justified in bringing forward this tax. Again, it is a fair tax,

and I maintain it is impossible for the Government to square their finances and balance their book without imposing additional taxation. We believe this is the fairest mode of taxation, and is least likely to work a hardship on any particular individual. If any other explanation is needed I shall be pleased to supply it when I have an opportunity of replying, or when the Bill reaches the Committee stage. I beg to move the second reading of the Bill.

On motion by **HON. E. McLARTY**, debate adjourned.

#### ASSENT TO BILLS (2).

Message from the Governor received and read, assenting to the Stamp Act Amendment Bill, the Public Works Act Amendment Bill.

#### BILL—LAND TAX.

##### SECOND READING.

**THE COLONIAL SECRETARY** (Hon. J. D. Connolly) in moving the second reading said: As I stated in dealing with the Assessment Bill, that I would include what I had to say on the taxing Bill at the same time, therefore it will not be necessary for me to make many remarks on this Bill. The Land Assessment Bill is only the machinery measure for giving power to enact the machinery for the collection of the tax. This Land Tax Bill, which imposes a tax on land, is a measure which will have to be dealt with each year in succession; and it fixes the tax for this year at  $1\frac{1}{2}$ d. in the £, with rebates which, as I have explained, mean that the amount will be  $\frac{3}{4}$ d. in the £ on land which is improved and  $1\frac{1}{2}$ d. in the £ on unimproved land. It was thought wise in introducing this taxation to do so in two measures, in order that the taxing Bill might be brought in each year. I think that procedure will be convenient to members, inasmuch as it will be necessary to get the consent of this House to the measure each year; and in any year, if the House thinks fit, it may increase, decrease, or even reject the measure for that year. I beg to move that the Bill be now read a second time.

**HON. W. PATRICK**: Would it not be well to postpone the consideration of this Bill imposing a tax on land until the House has decided on the Assessment Bill?

**THE PRESIDENT**: The debate can be adjourned from time to time.

On motion by **HON. E. McLARTY**, debate adjourned.

#### BILL—EVIDENCE.

##### IN COMMITTEE.

Resumed from the 11th September.

Clause 27 (previously postponed) Prohibited questions not to be published:

Amendment previously moved by the **HON. M. L. MOSS** now agreed to.

**HON. J. W. HACKETT**: An amendment suggested previously by him, for protecting any newspaper from the consequence of publishing a question which the Judge in a case disallowed to be put to a witness, without expressly forbidding its publication, should also be accepted by the Minister. It was a most reasonable amendment.

**THE COLONIAL SECRETARY**: What was the object of the amendment? The hon. member had not explained what he wanted.

**HON. J. W. HACKETT** moved an amendment that the same words as at the end of Subclause (b) be inserted in Subclause (a), namely—

—and has ordered shall not be published.

These words would give to a newspaper the same protection as was given to a witness; for as the Judge could warn a witness that he need not answer a question when it was forbidden as improper, so a reporter or a newspaper should be protected against any inadvertent contempt of court in publishing a question that was asked or any remarks made upon it in court, by providing in the Bill that the penalty for publishing should apply only when publication was forbidden by the Judge.

**THE COLONIAL SECRETARY**: If the reporter understood his business, he should know that when a question to a witness was forbidden as improper and not to be answered, such improper question should not be published as having



been asked and forbidden. The amendment appeared to be unnecessary.

HON. M. L. MOSS supported the amendment as reasonable and necessary, so that a reporter or a newspaper might not fall into a trap by being guilty of contempt of court unintentionally. If a prohibited question were published after the Judge had ordered that it should not be published, that would be clear enough; but if a question were disallowed without any direction being given that it should not be published, a newspaper might be caught in a trap and punished for contempt of court in mentioning it.

Amendment passed; the postponed clause as amended agreed to.

#### Schedule:

On motion by the COLONIAL SECRETARY, progress reported and leave given to sit again.

#### BILL—MUNICIPAL INSTITUTIONS ACT AMENDMENT.

##### WIDTH OF STREET.

##### SECOND READING.

Resumed from the 13th September;  
HON. M. L. MOSS in charge of the Bill.

THE COLONIAL SECRETARY (Hon. J. D. Connolly): I do not rise with the object of altogether opposing the measure; but I was rather surprised that the member who introduced it did not give some information concerning it. He simply stated, if I remember aright, that it was a measure to bring Douglas Street, South Fremantle, 30ft. 3in. wide, within the meaning of the Municipal Institutions Act and make it a street. What occurred to me was that it was rather strange, if the municipality of Fremantle required this street to be brought under the Act, that they did not make some application to the Lands Department or the Government department controlling these matters. So far as I know there has been no application made, and I think it is rather a pity that the hon. member did not explain his reasons. Members know that under the Municipal Institutions Act no street less than 66 feet in width is deemed a street within the meaning of the Act; that is to say, the municipal council cannot

take over a street under the width of 66 feet. The point I wish to bring under the notice of hon. members is this. If this sort of thing is going to occur, and no good and sufficient reason is given for it—that is to say, if people are allowed to cut up any narrow street like this 30ft. 3in. wide, and call it a street—what is the use of providing in the Municipal Institutions Act that a street shall not be of less width than 66 feet? It is only encouraging people to cut up land and provide narrow streets. That is how the matter appeals to me. I admit there may be special reasons why this Bill should be passed; but the owner may have cut up the land knowing full well that he would have to make and maintain the street, and that the council would not be able to take it over. If owners get the idea that they can cut up narrow streets and get the council or someone to bring in a Bill and make an exception in their cases, it will only tend to encourage this sort of thing, that is the formation of narrow streets.

HON. M. L. MOSS (in reply as mover): I cannot quote from the present session's *Hansard*; but the hon. member was listening the other evening to what I had to say. I think I made a statement that this street was under the regulation width, that therefore the Fremantle Council were not permitted to expend any portion of their revenue on the construction of the street, and that the Bill had not been asked for by the owners of land abutting on the street at all, but by the municipal council. It is in the public interests of Fremantle that it is necessary to make an exception on this occasion. It is not the first occasion on which an Act of Parliament has been sought to do a similar thing. There are other instances of it in connection with streets at North Fremantle and East Fremantle and other places that were laid out under plans of subdivision long ago and are not of the regulation width, but which the local bodies have been willing to expend portion of their funds on for the purpose of making them. I also mentioned that I had a sketch from the plan of the subdivision deposited in the Titles Office, and I said that the street was 30ft. 3in. in width. It is a street off South Terrace, and I

believe that at one time it formed part of the estate of the late W. E. Marmion. All the land on both sides of the street is occupied and built on largely, and the people have applied to the council, and the council are unanimously of the opinion that, considering they get a large sum in the shape of rates from these people, a fair case has been made out to construct the street. Though only 30ft. 3in. in width, and a short street, the council get considerable revenue from it. I do not know if it is possible to give any more information to the House. The Minister complains that no application was made to the Lands Department about it; but what does the Lands Department or the Public Works Department want to be bothered with a twopenny-halfpenny matter like this for? It is better that I should have to come to the House over a matter of this kind. The departments would be sick of applications of this kind. I do not wish to cast any aspersions on the Minister or any of his colleagues; I am now speaking of the departments; but if we had made an application at the beginning of the session for permission of this nature, when the necessary amount of circumlocution had been gone through we would be very lucky to have the measure assented to at the end of the Parliament. A glaring instance of that is the negotiations that took place in connection with the changing of a reserve at the top of High Street, Fremantle, from a reserve for grazing purposes to a reserve for recreation purposes, to enable the golf club at Fremantle to get a lease from the Fremantle Council in respect to an area of land. The municipal council at Fremantle and the Ministerial heads approved that the land should be applied to that purpose; but interminable delays took place in regard to the matter. Dealing with these departmental heads is about the last course I should propose to adopt, unless it were absolutely necessary. I hope the House will agree to the second reading of this Bill. There is really very little principle at stake, because while we give sanction to the municipal council at Fremantle to expend funds on this street, it does not to a very great extent cut down the principle in the Act, that these streets must be 66 feet in width before they can be declared public streets.

Question put and passed.  
Bill read a second time.

#### IN COMMITTEE.

Clause 1—agreed to.

Clause 2—Power to the Municipality of Fremantle to declare Douglas Street a public street:

**THE COLONIAL SECRETARY:** The member in charge of the Bill had taken him to task for having, as Minister controlling the Municipal Institutions Act, drawn attention to this street 30ft. 3in. being declared a street, and for having asked whether there were any special reasons. The hon. member had certainly not given any, and now claimed that the matter was too petty for any Government department to have anything to do with. That was not the case. There was a great principle involved in any departure of this nature. What he (the Colonial Secretary) brought under the notice of the House was the encouragement it would give to other people to cut up streets 30ft. 3in. in width. He had not exceeded his duty one iota. His remarks did not deserve censure, but rather commendation from members.

**HON. J. A. THOMSON:** It should be shown that what was proposed would be of some public utility before the House allowed any such infringement of the Municipal Institutions Act. No doubt it would be to the benefit of the property owners to have this place declared a public thoroughfare, and maintained at the expense of the ratepayers of Fremantle. But what would the ratepayers of Fremantle have to say with regard to this? The great majority of them did not notice such things. [**MEMBER:** The council themselves had asked for this.] The council at Perth and the council at Fremantle were both small bodies, and did not always represent the opinions of the ratepayers. Sometimes these little hole-and-corner things were brought forward in municipalities, and through the influence of the municipal council were brought before Parliament. The Colonial Secretary did quite right in pointing out that we had to think once or twice before Bills of this kind became Acts. The Committee would do quite right in throwing the Bill

out altogether. If the property owners wished to enhance the value of their property, why did they themselves not maintain that place as a public thoroughfare? He would be hardly doing his duty if he did not move an amendment which would have the effect of throwing the Bill out altogether, namely that the clause be struck out.

**THE CHAIRMAN:** The hon. member could vote against the clause.

**HON. R. LAURIE:** It grieved him much to find the opposition brought against this Bill. Only a short time ago, when Mr. Drew was leading the House, a case of the sort was brought in with regard to North Fremantle. This was a very little street. It was 13 or 14 years or at all events a great period of time, since this land was cut up. The municipal council could not spend any money upon it without parliamentary authority. That was what they asked. They had been receiving these people's rates for some years.

**HON. J. A. THOMSON:** Not necessarily to keep that street in repair.

**HON. R. LAURIE:** No. These people were ratepayers, and they had been unfortunate in years past in buying a street which was under the width specified by the Municipal Institutions Act. The councillors were prepared to spend money on it legally and with proper authority. He was in the Fremantle Council for five years, and he knew that when a matter of this sort came up it got the light of day. It was not a question of hole-and-corner business, or of strings being pulled. It was nothing against the wishes of the people of Fremantle.

**HON. J. M. DREW:** As far as he could see, this Bill was based on the same lines as a Bill introduced by him about two years ago, and if so, it was most necessary it should be passed.

**HON. H. BRIGGS:** This street was subdivided about 16 years ago, some 10 years before the statutory regulation was made that a street should be 66 feet wide. In the interval, South Fremantle had been largely built upon. On one side of this street there were four houses, and two on the other, and because the street was not of the required width, it was simply a kind of sand track. These people were paying rates all the time. The municipality could not expend any money

on it, and it was to get over the difficulty and to do justice to these people that the Bill was introduced. He had much pleasure in supporting it.

**HON. J. A. THOMSON:** There was no wish on his part to raise any factious opposition to the Bill. He was only speaking on principle. In the old country authorities had had to spend thousands of pounds to buy up properties abutting on certain streets considered to be too narrow, or deleterious to the public health, and those frontages had to be moved back. In Aberdeen they had spent nearly a million and a half in buying up properties that abutted on narrow streets, so that the streets could be widened in order to make the town something like a town, and also in the interests of the health of the community. Several members had tried to impress upon others that the property owners of that particular part of Fremantle had been paying rates. No doubt they had, but the ratepayers of Perth or Fremantle did not necessarily pay rates so that they could have footpaths or streets opposite their own properties.

**HON. E. M. CLARKE:** This street having been laid out before the Municipal Institutions Act was passed, the owners of property abutting on it were entitled to the relief sought in the Bill.

Question put and passed.

Schedule, Title—agreed to.

Bill reported without amendment; the report adopted.

#### ADJOURNMENT.

On motion by the COLONIAL SECRETARY, the House adjourned at 8:33 o'clock until the next Thursday.

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