

Legislative Council,

Thursday, 27th November, 1930.

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

QUESTION—UNIVERSITY AGREEMENT.

Hon. E. H. HARRIS asked the Minister for Country Water Supplies: Will he lay on the Table the file relating to the arrangement or agreement between the Collier Administration and the University of Western Australia?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: The file has been laid on the Table of the House.

BILL—FRIENDLY SOCIETIES ACT AMENDMENT.

Second Reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [4.36] in moving the second reading said: Unemployment has rendered this Bill necessary. Recently representatives of the various registered societies waited upon the Registrar of Friendly Societies and pointed out the serious position that had arisen owing to the financial depression. In order to retain their members who might be unemployed and unable to pay their contributions, the societies felt that they should do something to meet the situation. The original idea was to arrange a scheme of relief from contributions under the direction of the Registrar without any legislation. On reflection, however, the Registrar considered that an unsatisfactory position might be created, seeing that the societies, under existing rules, had not the power to inaugurate such a scheme. The Bill has been drafted on the lines of Act No. 13 of 1914—passed after

the outbreak of war. The societies, in conjunction with the Registrar, had considerable experience of the working of that Act, and have every confidence that the legislation now proposed will be satisfactory. The Bill has been considered by the Friendly Societies' Council, which is composed of representatives of all the registered friendly societies, and has been approved in its entirety.

Clause 3 permits the suspension of contributions. It is not intended by the societies to grant suspension merely because a member is out of work. Under paragraph (a) he will have to prove that he is in necessitous circumstances owing to unemployment. There is a limit to suspensions, as the principle may not be applied to more than one-tenth of the members of a society. All the suspensions are subject to the approval of the Registrar, but, as under the 1914 Act, there will be no unreasonable interference with the wishes of the societies. They will control the scheme quite unfettered, so long as they act with wisdom and discretion. Subclause 1 of Clause 4 permits a society to decide what methods, if any, it shall adopt to adjust the financial position when the suspension is terminated. Subclause 2 provides that a member to whom suspension has been granted shall nevertheless be entitled to the usual benefits.

Clause 5 provides that a contributions in suspense account shall be set up and that from the benefit funds the contributions shall be paid and debited to that account. If a society possessed a surplus at the last valuation it will be able to grant suspensions up to the amount of the surplus, without prejudicially affecting the standing of the society. If there was no surplus at the last valuation, the position of the contributions in suspense account will readily show the operation of the scheme and the extent to which a society may be involved. It is not intended that the medical benefits shall extend to a single man unless other people are dependent on him for medical service. Quarterly reports are to be made to the Registrar who may make to a society any reasonable request which may be shown by the report to be necessary. Under paragraph (c) of Clause 5 a levy may be imposed if necessary on those members to whom suspension has not been granted. By Clause 7 the Bill is made retrospective

to the 1st day of August, 1930, so that arrangements already entered into may be validated. Clause 8 fixes the duration of the measure and is a copy of the corresponding section in the 1914 Act. It is impossible to say the exact date to which the Act should be continued and, on the other hand, it is not desired that it should be permanent. Therefore it is suggested that the measure shall continue until terminated by proclamation. I move—

That the Bill be now read a second time.

HON. E. H. HARRIS (North-East) [4.41]: I support the second reading. The Government are to be commended for making the necessary provision for members of friendly societies who are in the unfortunate position of being unable to pay their contributions, and so keeping themselves financial and entitled to the benefits under the rules of the organisation. This is a principle that might be extended to industrial unions and associations. Under the rules of those organisations, similar contributions are made by members for accident and death benefits. A member who had been unemployed for a long time and who then obtained work would probably continue to be unfinancial for a number of weeks until he had earned sufficient money to pay his contributions and thus become eligible again for the benefits.

Hon. J. Cornell: What law would have to be amended?

Hon. E. H. HARRIS: Such organisations are registered under the Arbitration Act.

Hon. J. Cornell: They do not provide for sick benefits.

Hon. E. H. HARRIS: They provide for accident and death. Provision should be made for the industrialists in the same way as it is being made for friendly society members because the industrialists outnumber the others in membership.

HON. G. FRASER (West) [4.43]: I support the Bill, the introduction of which has been delayed too long. I have had a fair amount to do with friendly societies and I know that in the last 12 or 18 months particularly, members have frequently put their hands in their pockets in order to keep a man financial. That has proved a big drain on many members, some of whom

have only casual employment. The Bill is also vital to the friendly societies.

Hon. J. Nicholson: You commend the Government for introducing the measure.

Hon. G. FRASER: I am always prepared to give credit where credit is due. Although an opponent of the Government, I give them credit for this measure. As the Leader of the House can certify, I have on many occasions supported the Government. The friendly societies during the war period carried a similar burden to that contemplated by this Bill, but the ravages on the funds were then much greater. Most of the societies are now in a healthy financial position. Although two years ago an attempt was made to retain old members in the societies, the Registrar of Friendly Societies would not permit of the intended alteration, on account of his view of the financial position of those bodies. Many men after being from 20 to 40 years in a society reach the age of retiring from work, but still continue to pay dues. Some of them were compelled to drop out, and the societies wished to help them; but at that time the effort did not meet with success. One society alone has assets totalling about £135,000. That is the largest body in the State, but many other societies are in a healthy position financially. The Bill is needed, especially as it provides that medical benefits shall be continued to suspended members. Owing to the hard times, and families not being able to obtain the quantity and quality of food they should have, many cases of sickness are likely to occur; and, as things are, unfortunate members cannot receive medical attention. I commend the provision in question. Without going further into the Bill, I hope the Chamber will give it a quick passage, as it is badly needed by members of various societies. I have pleasure in supporting the second reading.

On motion by **Hon. Sir William Lathlain**, debate adjourned.

BILL—HOUSING TRUST.

In Committee.

Resumed from the previous day, **Hon. J. Cornell** in the Chair, the Minister for Country Water Supplies in charge of the Bill.

Clause 12—Obligations of life tenant (partly considered):

Hon. J. NICHOLSON: I move an amendment—

That the following be inserted in Subclause 1 to stand as paragraph (j):—"To deliver up possession of the cottage in good and tenantable repair and condition at the end or sooner determination of the term fixed by the trust."

This will complete the enumeration of the various conditions set out in the subclause, and will serve as a direction to the trust.

The MINISTER FOR COUNTRY WATER SUPPLIES: I have no objection to Mr. Nicholson's amendment.

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

Clause 13—Agreement to be signed by life tenant:

Hon. J. NICHOLSON: I have an amendment on the Notice Paper, but the Leader of the House has communicated to me an amendment which he proposes to move and with which I am quite in accord.

The MINISTER FOR COUNTRY WATER SUPPLIES: The difference between my amendment and that of which Mr. Nicholson has given notice is that under the former a life tenant who is placed in better circumstances and no longer in need of the benefit of the tenancy, will be able to revert to the other system proposed by the Bill, if the trust so desires.

Hon. J. Nicholson: You mean that he will be able to obtain the place at a rental?

The MINISTER FOR COUNTRY WATER SUPPLIES: Yes. He will be able either to obtain a tenancy at a small rental or to purchase the cottage outright.

Hon. V. Hamersley: If he won a ticket in Tattersall's, he would need neither.

Hon. J. Nicholson: The first part of the clause provides for such a case.

The MINISTER FOR COUNTRY WATER SUPPLIES: I move an amendment—

That after the word "section," in line 4, the following be inserted:—"including a condition to the effect that if the financial circumstances or condition of such tenant or of the widow or widower of such tenant shall evolve to his or her advantage so that in the opinion of the trust such tenant is no longer entitled to continue to enjoy the occupancy

of such cottage, then it shall be lawful for the trust, on giving one calendar month's notice in writing to such tenant, to terminate the tenancy or occupancy of such cottage notwithstanding that the term thereof may not have expired, and to resume possession thereof: Provided, however, that in lieu of resuming possession of such cottage the trust may enter into an agreement with the tenant permitting him or her to remain in occupation of such cottage as a tenant from year to year at such rental and on such terms and conditions as the trust may determine."

I think that amendment will meet the desires of Mr. Nicholson and of the Committee.

The CHAIRMAN: Has the Minister only one copy of the amendment?

The MINISTER FOR COUNTRY WATER SUPPLIES: Yes. It has only just been supplied to me.

The CHAIRMAN: It will be necessary to advise the Crown Law Department that three copies of an amendment are required. One is needed for each of the clerks.

Hon. J. NICHOLSON: When giving notice of my amendment I had in mind that if the Bill were left as presented to us, it would have meant that the trust could not terminate a life tenancy without a specific power under the measure. One can realise that some of the people unfortunate enough at the present time to need the assistance contemplated, may through some change in their circumstances be able to do without the benefit given to them when hard pressed. In such circumstances they would be depriving another hard-pressed individual from obtaining the benefit of occupying the cottage. Tenants whose fortunes have thus improved should leave the premises of the trust and make way for someone more deserving, because that is the intention of the trust. The Minister's amendment embodies what I have on the Notice Paper, coupled with the addition of words which would enable the trust to let the cottage for a period, if need be, so that the tenant can pass over as a sort of purchaser and a new cottage can be erected for some other deserving case. I regard the addition as wise.

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

Clauses 14 to 27—agreed to.

Bill reported with amendments.

BILL—LAND ACT AMENDMENT.*In Committee.*

Bill passed through Committee without debate and reported without amendment.

BILL—TENANTS, PURCHASERS AND MORTGAGORS' RELIEF.*Second Reading.*

Debate resumed from the previous day.

HON. J. J. HOLMES (North) [5.4]: To say that the Bill requires very serious consideration at the hands of members of this House does not exaggerate the position, so much so that I understand the intention is that it shall be considered by a select committee, a proposal that I heartily endorse. The committee will be able to call evidence, and if relief can be granted, it will be granted without penalising any particular section of the community. We are living in serious and anxious times. There are a number of people in the community who are out of work through no fault of their own; there may be some out of work through their own fault, but in times like these we realise that there are deserving people out of employment, people with dependants, and we have to remember that the home life and love of a family do not always exist in the mansion and not in the cottage. As a matter of fact, viewed from the standpoint of to-day, I think there is more home life in the cottage than in the mansion. My objection to the Bill is that it attacks what is looked upon as an 18 carat security. A man invests perhaps his life savings in a house, and then depends upon the rent for a livelihood. It may also be that a person with a few hundred pounds, and that person may be a widow, acquires a cottage and depends upon the income from that cottage for a livelihood. My objection to the Bill is that it prevents the landlord from collecting his rent, and it prevents the mortgagee from obtaining his money, but it does not prevent any other creditor from obtaining his money. As I understand the Bill, all that the tenant has to do is to prove that he is out of employment, and that he has made reasonable efforts to obtain work and then, if the commissioner is satisfied on that point, he can grant the relief asked for. It may be said that a per-

son out of work—it may be someone who has retired with money to live upon—may be able to prove that he is out of employment and prove also that he has made reasonable attempts to secure it. Still, the fact that he has other assets does not seem to come into the matter, as I read the Bill. If we are to say to the landlord, "You must stand down for the rent," and to the mortgagee, "You must wait for your money," that means that we shall be allowing the tenant to occupy the house free. But when it comes to the butcher, the baker or the grocer we do not say, "You have to stand aside for your money." There is no reference to that in the Bill, so that while we hold up a landlord, there is no attempt to prevent anyone else from coming in and obtaining payment. That appears to be unreasonable in view of the fact that until now the landlord or the mortgagee has the first charge. If the Bill be passed, he will come in last, behind the other creditors.

Hon. J. Cornell: If he comes in at all.

Hon. J. J. HOLMES: True, there is a clause in the Bill that if at the expiry of the period a tenant is granted exemption, the landlord obtains the right to collect the rent, plus 6 per cent. But can you imagine a man being turned out of a house because of a decision of the commissioner? What hope has a landlord of getting either principal or interest in such circumstances? Again, it has to be remembered—I am not speaking for the wealthy landlord but for those who are dependent on rent for sustenance—that whilst the landlord is held up for his rent, there is no provision that rates or taxes shall cease to be a charge upon the property. There is no provision that they shall accumulate until the landlord is in a position to obtain some rent in order to pay those rates and taxes. So, while we stop the rent from being collected, there is no provision whatever for the rates and taxes to be permitted to remain in abeyance. As a matter of fact, rates and taxes are a first charge at any time irrespective of what the commissioner may do. If I understand the position correctly, in the past, even with a bill of sale over furniture, the landlord has always been entitled to 20 many week's rent, even as against the holder of the bill of sale. I mention this to show that the landlord or mortgagee at one time held the first security, but under

the Bill they will be the last. True, great power is vested in the commissioner, who must be a judge of the Supreme Court or a magistrate. I can imagine, with the unemployment there is, the number of cases that will have to be dealt with, and I can see that anybody or everybody, whether entitled to redress or not, can lodge an application, and until that application is heard, no rent can be collected. That is my interpretation of the position. That may be reasonable, but there may be a section that are able to pay, and as I read the Bill, those people have only to lodge with the commissioner a claim that they are out of work, and that they have made reasonable efforts to obtain employment, and no rent can be collected until the case is heard. When the case is heard, whether the applicant for relief has other assets or not will not come into the question at all. If the commissioner is satisfied on those two points, it is within his power to grant relief. We know that the courts, particularly those courts presided over by magistrates—we had evidence of it the other day—are crowded out with work. What will happen if all this additional work is piled on to the magistrates? I cannot say, except that the business of rent collecting and the collecting of interest will have to stand over until the cases can be heard. It may be that there is a tenant in possession of a cottage owned by a widow who has merely the rent of the cottage on which to depend.

Hon. G. Fraser: She is covered in this respect, and if there is any undue hardship, an order will not be made.

Hon. J. J. HOLMES: It will be at the absolute discretion of the magistrate.

Hon. G. Fraser: No.

Hon. J. J. HOLMES: If the hon. member will read on he will find these words "any order or decision of the commissioner in any matter arising under this Act shall be final, and there shall be no appeal."

Hon. G. Fraser: Read Clause 3.

Hon. J. J. HOLMES: I am reading a later clause than that, almost the last clause in the Bill, which says—

Any order or decision of a commissioner or judge in any matter arising under this Act shall be final and without appeal.

Hon. A. Lovekin: That binds it.

Hon. J. J. HOLMES: Let me put another aspect before the House. I repeat that we are living in serious times and every hon. member is inclined to do what is right and fair. As a representative of every section of the community, I am bound to put my views from all standpoints, so that the House may arrive at a correct conclusion. Many houses have been erected in Perth and the surrounding suburbs by builders on the time payment system. This has been all right when times have been good and men have been in employment. These men have made an honest effort to possess a home of their own. I have long since discovered that the only house a man ought to own is the one he lives in. The saying that, "Fools build houses and wise men live in them" is not far wrong.

Hon. A. Lovekin: Quite true.

Hon. J. J. HOLMES: The one house a man ought to own is that in which he lives. Many people will agree with me on that point if they do not upon others. In order to get a home of their own, people have had houses built for them. They may have paid a deposit of £50, and agreed to pay a rental of so much per week over a given period. I can imagine a man buying a house for a capital value of £600. He pays £50 deposit, and 25s. a week rent for a given period until he has acquired the whole equity in the house. It would be very hard upon him if he were deprived of the house he had made such a big effort to acquire. It is here that the select committee might do very good work in the course of its inquiries. There is another side to the picture. If this Bill becomes law, and the man who has paid a deposit of £50 can prove that he is out of employment and has made a reasonable effort to obtain work, he can go on living in the house perhaps for 18 months without paying a penny by way of rental. It may have been a new house to start with, but at the end of the period he can hand it back to the builder as a secondhand proposition, although he took it over originally in good order and condition. In the meantime he has had a house at about half the rental he agreed to pay.

Hon. G. Fraser: What will he do for his food in the meantime?

Hon. J. J. HOLMES: This Bill makes no provision for that.

The PRESIDENT: Order! The hon. member will have an opportunity to speak later.

Hon. J. J. HOLMES: The Bill goes either too far or not far enough. It says that the landlord shall not in such circumstances get his rent, but it does not say that the butcher, the baker and the other tradespeople shall not have their money for the goods they supply. It penalises one section of the community. That is one objection I have, to it, for it allows other sections to go free while it penalises one section. It requires careful consideration for the reason that it strikes at the root of what is recognised as the commercial principles of the country. A man may be living in a house that is worth £4 a week, when he should be living in one costing only 25s. a week. When he loses his employment, it is a fair thing that he should be told to get into a cottage which synchronises better with his altered circumstances. He may therefore be living in an expensive house when he should be in a cheaper one, but, if he can prove that he cannot get work and has made reasonable efforts to do so, he will be allowed by the commissioner to remain in the expensive house. The Bill goes further than that which was introduced by the Labour Government of South Australia. That does not deal with mortgages that fall due. This measure, however, provides that when a mortgage falls due, even if the man is in work and occupying the position he has occupied for years, the commissioner can grant exemption from the payment of the mortgage until such time as he thinks fit. In a case like that it is not a question of the employment of the individual. We can imagine a woman possessing £400, who has lent it out on mortgage. She may have undertaken to buy something else with the money when the mortgage falls due, or she may desire to put it back into the bank. The Bill says that whether a person is employed or unemployed, he can apply to the commissioner, and if he can prove the necessary circumstances the mortgage cannot be called up. It will not be difficult in these times to prove that a man cannot get money, but it will be somewhat difficult to prove that he can do so. If an advertisement which appears in this morning's paper is correct, it reveals an alarming position. A man is advertising a house that he purchased recently for £1,505 for sale at £675, £10 cash

and instalments to be arranged. One can imagine where we are drifting. The Bill contains a clause that will prevent a mortgagee from obtaining his money when it is due. The money may have been lent five years ago, and the person who lent it may have fallen into poor circumstances himself. He may have to use the money to go elsewhere in order to get employment. The Bill, however, provides that it is within the discretion of the commissioner whether that money shall be paid or not. I have felt it my duty to point out these things. I urge that this Bill should go before a select committee, which would analyse it from all standpoints and evolve a measure that will be equitable for every section of the community, and not penalise one section.

HON. SIR WILLIAM LATHLAIN (Metropolitan-Suburban) [5.23]: We are all indebted to Mr. Holmes for his clear and lucid explanation of the clauses of the Bill. It is a very intricate measure and requires careful consideration. I strongly favour the appointment of a select committee to deal with the whole question. Mr. Holmes has given very specific instances where hardship can be created, particularly on the part of builders. Many builders in and around the suburbs may have between 20 and 40 houses in various stages, so much having paid off on one and so much on another. As the capital comes in, these builders engage in the construction of further dwellings. This question also deserves careful consideration. Various local organisations, such as the A.M.P. Society, have hundreds of thousands of pounds let out on mortgages which would come within the purview of this Bill. We must be very careful not to do anything to interfere with the rights and titles due to these organisations, otherwise they will probably deem it advisable to adopt some other form of investment wherein the conditions will be less stringent than they are likely to be in the present circumstances. That is another important factor. This money has been advanced in hundreds of different cases, and has been of great assistance to those who have been obtaining homes for themselves. If there is going to be any serious interference with the rights and privileges of these organisations, it will have a great effect upon any future advances that may

be made, and great harm may be done to the State. I am sure that every member of this House wishes to give every possible assistance to all the people in the present terrible circumstances. As the Bill contains so many clauses of vital importance, each requiring careful consideration, I hope it will be referred to a select committee.

HON. J. M. DREW (Central) [5.27] : The Bill has been clearly explained by the Leader of the House, who has been ably supported by Mr. Kitson. It comes here with the benediction of all political parties. It has been sponsored by a coalition Government, representative of the Country Party and the Nationalists. It has also had the unanimous support of the Labour Party. Until its entry into this Chamber there was no opposition to it. It is not necessary for me to deal extensively with it. I am given to understand it is proposed to refer it to a select committee. I am confident that the object of this suggestion is not to destroy the Bill but to improve it, and endeavour to find remedies for some of the defects which have been pointed out. I sincerely congratulate the Ministry upon its introduction. The Bill is long overdue. I make that remark without reflecting in any way upon the Government. Measures such as these require long and careful consideration in order that ample safeguards may be provided. The Bill is long overdue because if we can rely upon statistics, there are something like 10,000 unemployed in Western Australia, if not in the metropolitan area. A large proportion of these are married persons. For months past, to my knowledge, as the result of investigation and inquiries I have made, I am satisfied that there have been scores of evictions in the metropolitan area, evictions of persons who have occupied their homes for years and have paid high rentals during the last few years. There has been an increase in rentals of something like 50 per cent. since 1924. Merely because a tenant has failed to pay his rent for two or three weeks, women and children have been thrown out on the street. That is not general in its application. I find that quite a fair proportion of landlords are considerate. They do not adopt that course of action, but have every consideration for their unfortunate tenants. In legislating we must keep in view those likely to be affected by courses of action that should be checked

in times such as these. The Bill seems to me to have been carefully drafted. I do not think it has been modelled upon any existing legislation, and I regard it as a credit to the Government. If it is capable of improvement in the interests of the parties most vitally concerned, I think the reference of the measure to a select committee is likely to achieve good results. It seems to me there are adequate safeguards in the Bill for the protection of both landlord and mortgagee. Clause 4 reads as follows:—

(1.) Upon the application of any tenant a Commissioner may make a protection order in respect of the dwelling occupied by such tenant. (2.) No such order shall be made unless the applicant satisfies the Commissioner that, by reason of unemployment, he is unable to pay the rent in respect of the dwelling as it falls due and there is no immediate prospect of his becoming able to do so, and that his failure to pay any rent owing, which has become payable before the date of the application, is and was due to the same cause.

Hon. J. J. Holmes: That applies to unemployment alone.

Hon. J. M. DREW: That is so. If a person has money in the bank, that will be a matter for investigation by the Commissioner, who will have to be satisfied. Clause 8 provides an even more important safeguard. Clause 4 refers to ordinary tenants and Clause 6 to mortgagees. Bearing that in mind, hon. members will see that Clause 8 reads as follows:—

No order shall be made under sections four or six:—(a) unless the applicant satisfies the Commissioner that he has made all reasonable efforts to obtain employment, and that he is and has been unable to obtain employment through no fault of his own; (b) if the Commissioner is satisfied that the landlord or mortgagee by reason of the circumstances will suffer any undue hardship in the event of the order being made; or (c) if the Commissioner is satisfied that by reason of the circumstances no order should be made.

There may be some individuals who are dependent upon their rents for their livelihood. If they can prove that to the satisfaction of the commissioner, then a protection order will not be granted. There may be mortgagees in a somewhat similar position. It will be seen therefore that there is a sufficient safeguard provided in the Bill against undue hardship. I can discover nothing savouring of confiscation in the Bill. The payment of rent is merely

suspended under a protection order at the will of the commissioner. In the end, the tenant will have to pay interest at the rate of six per cent. per annum on the amount of rent he owes. I notice that the Leader of the House intends to move an amendment that will enable protection to be given to a tenant by the commissioner, so that he will not be called upon to pay the aggregate amount owing in one lump sum.

Hon. J. J. Holmes: You admit that the Bill does not provide for other than rent.

Hon. J. M. DREW: That is so. Mr. Nicholson stated that the Bill was not required as the Federal Government—Mr. Nicholson used the word "Caucus" but I have chosen to think he meant the Federal Government—

Hon. Sir William Lathlain: They are both the same.

Hon. J. M. DREW: Mr. Nicholson said that the Bill was not required because the Federal Government were providing for the relief of unemployment. I presume Mr. Nicholson was referring to a report that appeared in the Press regarding meetings at which some decisions were arrived at. Meetings of political parties, other than the Labour Party, are held from time to time and the members attending arrive at decisions.

Hon. G. W. Miles: Do they?

Hon. W. H. Kitson: There was a meeting on the floor of the Chamber here the other day.

Hon. J. M. DREW: There was one here yesterday. At any rate, Mr. Nicholson said the Bill was not necessary because the Federal Government were raising money to deal with unemployment. That is interesting. I should say that at least £75,000,000 would be required in Australia to finance the unemployed position for 12 months. I do not think that is any exaggeration.

Hon. J. J. Holmes: Did you say £75,000,000?

Hon. J. M. DREW: That is what I estimate.

Hon. E. H. Harris: Is that all?

Hon. J. M. DREW: Mr. Nicholson recognises that is the position, and it seems to me he paid a great compliment to the Federal Government.

Hon. J. Cornell: That must have been an error of judgment.

Hon. J. M. DREW: Mr. Nicholson suggested that the Federal Government could straight away finance the whole of the unemployment difficulty throughout the Commonwealth.

Hon. J. Nicholson: I did not say so.

Hon. J. M. DREW: The hon. member said the Bill was unnecessary because the Federal Government were to deal with the unemployment difficulty and provide a remedy straight away.

Hon. J. Nicholson: I said the Bill would not be necessary, if the Federal Government were going to do it.

Hon. J. M. DREW: Then there is some doubt in the hon. member's mind. After leaving the House last night, I carefully considered the attitude adopted by Mr. Nicholson with a view to determining what actuated his feelings in regard to the measure, and the expression of opinion I have referred to. I came to the conclusion that he had read a telegram that appeared in the newspapers.

Hon. J. Nicholson: I said so.

Hon. J. M. DREW: Apparently Mr. Nicholson thought that that indicated that the Federal Government had gone a long way to restore the trade balance of the Commonwealth, and he seemed to be convinced that the Federal Government would be successful in that direction within six months.

Hon. Sir William Lathlain: We are still paying 10 per cent. for exchange.

Hon. J. M. DREW: Apparently Mr. Nicholson believed that at the outset, but then a doubt arose in his mind as to whether sufficient funds would be received by the Federal Government to deal with unemployment throughout Australia. If that doubt has arisen in his mind, then he must agree regarding the necessity for the Bill. If his original predictions were verified, the fact would remain that the Federal Government could not raise £75,000,000 in 75 minutes. There must be some delay and even if the Bill were required for two months only, it would serve a good purpose during that period. In view of what I have said, the hon. member must realise that his argument vanished on investigation. In my opinion, Clause 23, which deals with the exclusion of parties from the operations of the Act, represents the weak spot in the Bill. I hope that fact will be appreciated by the select committee. It will be seen

that under that clause a tenant can be contracted out of the application of the measure. A landlord could make provision in an agreement with a prospective tenant that the latter would not come under the operations of the measure, and then the Bill would be so much waste paper. That point will require serious consideration by the select committee, particularly if the Bill is to be successfully administered.

HON. G. FRASER (West) [5.40]: For the second time this afternoon, I find it necessary to congratulate the Government on the introduction of legislation. While it seems to be generally agreed that the Bill should be referred to a select committee, I would prefer that course to be avoided on the ground of the urgency of the measure. If it is referred to a select committee, there will be a delay that may be vital to many people. I have had pitiful cases of distress brought under my notice during the past six months. Recently, there was an instance in which a married man with a wife and five children lost his employment and he secured charitable relief amounting to £2 9s. per week. The man came to me and asked if I could get him put on the municipal sustenance list. The reason for that, quite apart from the willingness of the man to work for the money he wished to earn, was that he desired to get the money in cash so that he could pay £1 a week as rent, leaving him with 29s. only to feed his wife and family. That is only one of many instances that brought home to me very forcibly the urgency of a Bill such as that now under consideration.

Hon. V. Hamersley: Why should the landlord be the person to carry the burden?

(Voice from the gallery: Shame!)

Hon. G. FRASER: I will deal with that point. Mr. Holmes said that he looked at this Bill from all points of view.

Hon. J. J. Holmes: Did I not?

Hon. G. FRASER: In my opinion, the hon. member did not. The paramount view before him was that of the landlord.

(Voice from the gallery: Shame!)

The **PRESIDENT**: Order: Will the hon. member resume his seat. No interruption from the gallery will be permitted. If there be any further interruption, the necessary steps will be taken to prevent a repetition. The hon. member may proceed.

Hon. G. FRASER: In my opinion, what was paramount in the mind of Mr. Holmes was property interests. He stated that the Bill protected the tenant only, and that no provision was made to safeguard the grocer, baker or butcher. There is a vast difference between those people and those to whom the Bill will apply. Generally speaking people who buy property pay for it with spare money that they have for investment. They are not as a rule people who depend upon the income from their investments in order that they may live.

Hon. A. Lovekin: That does not apply to all of them.

Hon. G. FRASER: Certainly not. In most instances the butcher, the baker and the grocer rely upon the returns they receive on account of the goods they sell in order to purchase more goods and so keep the community going. There is a mighty difference between them and the position of a man who receives income from property. Mr. Holmes also quoted the case of a poor widow who depended upon the rent of a house for her livelihood. To my mind her position is covered by Clause 8. Then again Mr. Holmes objected to a later clause in the Bill which sets out that the Commissioner's decision shall be final. Despite that, I claim that Clause 8 affords all the necessary protection to the people Mr. Holmes referred to.

Hon. E. H. Harris: What protection has a widow if the tenant cannot pay the rent and she desires to live in the house herself?

Hon. G. FRASER: I would refer the hon. member to Clause 8.

Hon. J. Cornell: If the tenant cannot pay the rent, what happens?

Hon. G. FRASER: Then the order will not be enforced.

Hon. J. Cornell: So that the necessitous widow will not get her rent.

Hon. G. FRASER: That is so.

Hon. E. H. Harris: How can she pay her own rent?

Hon. G. FRASER: The Bill will not alter that position. If she has a tenant in there, no order will be made. She has other avenues through which to take proceedings.

Hon. E. H. Harris: Then you approve of the taking of proceedings?

The **PRESIDENT**: Order! Hon. members must allow Mr. Fraser to proceed.

Hon. G. FRASER: Whether or not the Bill is in order, Mr. Harris asks how she

will get on if the tenant does not pay the rent. The Bill will not affect her, because if she goes to court and states that she is dependent on the rent for a livelihood no order will be made. So it appears to me the cases quoted by Mr. Holmes are amply protected by the Bill.

Hon. J. Nicholson: Are you aware that an application may be made without notice being first given to the landlord?

Hon. G. FRASER: I am not aware of that. It is hardly likely that such a case would be heard without notification being given to the landlord. It would be an entirely new procedure. I doubt whether any commissioner would hear evidence from the one side without also hearing evidence from the other side.

Hon. J. J. Holmes: I think the Bill provides that both parties shall be heard.

Hon. G. FRASER: I should think so. I trust the Bill will go through—and go through quickly. Whilst I know that a select committee might make one or two minor amendments in the Bill, nevertheless the Bill as it stands gives a certain amount of protection to those people who are in urgent need of it. I trust members will pass the second reading, and if possible put the Bill through Committee to-day in order that no time may be lost. I will support the second reading.

HON. J. CORNELL (South) [5.47] : Unquestionably there is need for the Bill. But, as Mr. Holmes has pointed out, there is room for doubt as to which of the parties is going to be most hurt by the Bill. However, the landlord is not popular with the other side, and has always been taken as being a good bird to shoot at, even from behind a hedge. I think there are some rights or privileges which ought to be extended to the landlord, but are not extended through the Bill. If a man out of work applies to the commissioner and says he cannot pay his rent, the commissioner may make an order to the effect that he need not pay his rent. But there is no machinery whatever to give any protection to the landlord. Mr. Holmes has pointed out that he cannot recover his charges, either. It would be only fair, if the circumstances justified it, if during the time no rent was being paid the landlord were to be permitted to get even, at all events to the extent of rates and taxes, payment of which should be deferred. And if

he does not recover the amount of rent deferred during a period, I fail to see why the community should not carry his rates and taxes during that period. Then there is the question of his being able to get his rent again when times improve. What chance will he have?

Hon. V. Hamersley: Buckley's.

Hon. J. CORNELL: Take a concrete case: Brown gets an order and so has to pay no rent for six months. Unfortunately he is out of work the whole of that time. Things improve and he gets work. I think Brown will then find it is easier to move than to pay rent. Probably he will move into another house.

Hon. E. H. Gray: Some do; but they are not all like that.

Hon. J. CORNELL: I know I would, anyway. Let me be honest in that statement. That is what is going to happen; and I would not blame the average man on the basic wage with four or five youngsters, for if he gets six months behind in his rent he has no earthly chance of picking it up. Take the case of a man who has paid a deposit on his house. Arrangements can be made and should be made that, in order to give him some protection for the amount of money he has paid in, he is to get an easement in point of future payments. There ought to be some such provision in the Bill, as there is in the Workers' Homes Act. That is to say that the time during which payment is deferred should be added to the currency of the contract. That is done by the Workers' Homes Board. If a tenant is out of work for six months, then the 30 years in which originally he had to pay for the home becomes 30 years and six months. That protection has been given to the man who has paid his deposits, but there is no protection for the landlord. I was struck by Mr. Fraser's extraordinary view of the difference between the landlord and the man in business. Mr. Fraser said that invariably a man with a bit of capital to invest put it into houses. Mr. Holmes has given an apt illustration of the man who invests in houses. What is the fundamental difference between, say, Brown who, having saved £500, puts it into a house for the purposes of rental; and Jones, who also having saved £500, puts it into a grocery business. There is no real difference between Jones and Brown. Both are taking chances.

Hon. E. H. Gray: Very often the grocer loses his money.

Hon. J. CORNELL: Mr. Holmes has drawn attention to Clause 4, which gives power to grant relief to mortgagors. It reads as follows:—

A mortgagor who has made default in payment of any principal moneys secured by any mortgage, or who is able to prove that he will not be able to pay on the due date any such principal moneys, may apply to a commissioner for relief.

There is no qualification about that. Say a man, having saved £600, borrows another £600 from, say, Mr. Drew and with the money builds a £1,200 house. That man is not bound down as is the poor unfortunate man with a wife and four or five kiddies who has to rent a house. He is bound down by the fact that he is out of work. The terms on which he may apply for easement are stated in the Bill, but the man who has saved £600 and borrows another £600 from Mr. Drew need not be out of work. If it is fair that the man with no equity in a home has to be out of work before he can get easement for his rent, the man with an equity in his home ought to be placed on the same footing. That is absolute logic. What is good for the goose is good for the gander, the gander in this case being the man with the equity. That is one direction in which the Bill might be improved. I think there is much in what Mr. Holmes said in regard to either of the parties being asked to defer collecting their money from people out of work at this juncture. Take a married man with a life insurance policy. Many men, even men well placed in this community, are at their wits' end to keep their policies going. Some cannot do it. Probably it means a good deal more for some than for others.

Hon. G. W. Miles: The surrender value will keep it going for a while.

Hon. J. CORNELL: But that is a totally different proposition from paying the premium. Of course the bonuses will keep it going for a while. But the landlord is easily got at. He occupies a unique position in the sentimental mind, such as that of Mr. Gray. Mr. Drew has said there are good landlords and bad landlords. But the landlord is easily got at and easily shot at. I think in all the circumstances the principle set forth in the Bill means that when a man in out of work we could do a good

deal more for him than has been done in the past. I support the second reading, and I join with Mr. Fraser in hoping that the select committee—if the Bill goes to a select committee—will be expeditious in their work.

HON. H. SEDDON (North-East) [5.58]: While everybody who is acquainted with the circumstances must necessarily support the Bill, there are in it some very serious defects. Therefore the suggestion to refer it to a select committee should be ratified, for the position of all persons concerned should be assessed, and an endeavour made to render the hardship as bearable as possible. One might describe the Bill as consequential on the depression. It is certainly consequential on the attitude of the present Government. There is not the slightest doubt that had the Government adopted the suggestion repeatedly made in this House, and introduced an unemployment tax, the position which has arisen would have been very much mitigated. The Government when they bring down a measure like this, should accept the responsibility of taking their share of any hardships inflicted by the measure. When we remember that the greater number of dwelling houses have been erected by persons as an investment of their small savings, largely with a view to providing for their old age, it will be realised that a severe hardship might easily be inflicted by this Bill. I know of a widow who is dependent on the rent of four houses. At present she has one house empty, another occupied by a person who is out of work and cannot pay, and another occupied by a person who is getting only casual work. The position of that woman is most difficult. The value of house property has fallen, just as other values have fallen, and if the owners be hard up, it is almost impossible to realise because there is not much money available at present for any purpose, and very little for investment in house property. In the circumstances, it is necessary that the Bill should be carefully reviewed. It has been drawn up with the laudable idea of protecting the man who is out of work, but I do not think sufficient attention has been given to the position of the other party to the contract. No doubt it is necessary to protect the man who is buying a home. He is one of the thrifty individuals of the community who should be

encouraged, and if through no fault of his own he cannot meet his obligations, he is fully entitled to any consideration we can give him, even to the extent of relieving him from having to pay his mortgage and of helping him to keep his roof over his head. The points of the Bill that require attention have been so ably discussed by Mr. Holmes that I shall not traverse them, beyond pointing out the certain danger of an unscrupulous tenant taking advantage of provisions designed to benefit unfortunate men who are out of work. Anyone who has had dealings in property will appreciate that point. Let me give an illustration. A man who had been occupying a small cottage for a considerable number of years drifted back in his rent and would not pay. Eventually he had a big win, and yet when an attempt was made to recover the money, he quickly got it out of the way. When he was brought before the magistrate, a verdict was given against the man for £30, but payable at the rate of half-a-crown a week. Thus, while the Bill is designed to protect a worthy man who is out of work through no fault of his own, there is danger of an unscrupulous person taking advantage of its provisions. I wish now to refer to the position that has made the Bill necessary. It has been said that we cannot tax the community into prosperity.

Hon. W. H. Kitson: Quite true.

Hon. H. SEDDON: A better comment is that by taxing the community, it is possible more fairly to distribute the burden over the shoulders of the people who are able to bear it. On that ground an unemployment tax ought to commend itself to every section of the community. It is equally true that we cannot sack the community into prosperity. Anyone who studies the essay on the present depression by Professor Giblin must appreciate the force of his argument regarding the diminution of the national income. He instanced a pastoralist whose income, through the low price of wool, had fallen by £900. He traced the distribution of that sum through the community and finally showed that the result of the shortage of £900 in the pastoralist's income affected the income of the whole community to the extent of £2,700. That was the actual loss sustained by the various persons through whom the money would normally have passed in the ordinary course of trade. If that argument be true, the converse is equally true. If we put a man into employment, and pay

him the money necessary to provide his sustenance and meet his obligations, that money will be irrigating through the whole community and going a long way to re-establish not only confidence but a condition of stability, whereas the other condition operates in an entirely opposite direction.

Hon. A. Lovekin: It creates more employment.

Hon. H. SEDDON: Yes, employment creates employment.

Hon. W. H. Kitson: And employment creates purchasing power.

Hon. H. SEDDON: We should remember that the effect of an unemployment tax is to take money out of avenues of expenditure that are more or less unnecessary and divert it to avenues of expenditure that are necessary, such as providing persons out of employment with the means to secure food and clothing and meet the other requirements of life. This Bill has become necessary consequent on the failure of the Government when they took office to bring such legislation into operation. It is well to bear in mind what a considerable time elapses between the imposition of a tax, the collecting of the tax, and the expenditure of the proceeds on public works. That is the reason why action should have been taken by the Government when they acceded to office. I raise that point of view because I feel that this measure will need serious consideration. We want to deal with it as quickly as possible in order to relieve the people who are in a serious and anxious position. At the same time, I feel that the problem is largely due to the fact that action was not taken in the first place. At the conclusion of the second reading, I intend to move to refer the Bill to a select committee.

HON. E. H. GRAY (West) [6.7]: I support the second reading of the Bill, and express regret that it should be necessary. I join with Mr. Seddon in regretting the Government's inability to rise to the occasion. The measure is an indication of the inability of the Government to deal with the existing position. Those who are in close touch with affairs know that there will be a long series of mishaps after the Bill is passed. Municipal councils and road boards will be in difficulties because they will not be able to collect their rates. Many landlords will be in trouble. I have said some very harsh things about landlords, but I want to be just and say it has been

a very agreeable surprise to me, as secretary of the Fremantle Relief Committee, to find how fairly a majority of the landlords are meeting their tenants and the considerate treatment they are extending to them when unemployed.

Hon. J. J. Holmes: It is very good to hear that.

Hon. E. H. GRAY: It is true. A majority of the Fremantle landlords have done their utmost for their tenants. Still, there are others from whose actions have arisen painful occurrences. When the trouble first became acute, I took a very strong stand. Some members of my committee condemned my action in no uncertain terms. There is a type of landlord who instructs his agent to do everything possible to extract the rent from his tenants. Some terrible things were done at Fremantle, things that would make any decent-minded man blush with shame. Fortunately, the good sense displayed by many of the landlords had a good effect on the unscrupulous ones, and in the last two or three months the trouble has not been so acute and tenants have not been worried so much. The unemployed have striven to a remarkable degree to pay their rent. I think some of them have made too big an attempt to pay it, with the result that hundreds of unemployed working for sustenance and 7s. a week for themselves and their families were paying their rent from their sustenance money. In some instances people receiving 21s. a week have been paying 10s. of it in rent, which was perhaps one-half or one-third of the total rent. I keep in close touch with the four local authorities in the Fremantle district, and I can say that most of the unemployed who have come under my notice make strenuous efforts to pay some of their rent to the landlords each payday. The present state of affairs, however, cannot continue, because men are paying their rent at the expense of the health and physique of their families. We have been compelled to make representations to the Government for increased sustenance for expectant mothers. Some sad things have happened through expectant mothers, in trying to keep up appearances and do their best for their families, sacrificing themselves and denying themselves food, to the detriment of their own wellbeing and the injury of the unborn child. For that reason, the Bill is necessary. While I agree with Mr. Holmes that the

Bill contains defects, it is essential that it should be passed as early as possible. I hope the Government will also realise that something else should be done. It is impossible for the unemployed portion of the population to carry on in future as they have been trying to do in the last three or four months. Every day their position is growing worse. If a close examination were made of the domestic affairs of a majority of the unemployed receiving sustenance, it would be found that many of the children are unable to attend school through being without clothes. People are going to the relief committees in the hope of being permitted to work in return for clothes for themselves and their children. To a limited extent the various relief committees have been able to meet the demand, but that is now no longer possible. With the exception of the Lord Mayor's Fund, the various relief funds throughout the metropolitan area are just about exhausted. Unless some additional effort is made to secure funds, I cannot see how money will be forthcoming to meet the just demands of the unemployed for clothing and other essentials of life, leaving out altogether the question of rent. I feel confident that the House will pass the Bill, but even so, the problem will remain and, as I have pointed out, it is daily growing more acute. Let me pay a tribute to the 8,000 odd unemployed in the metropolitan area for the manner in which they have accepted the present condition of affairs. If I were in their position—

Hon. J. J. Holmes: Do not say that.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. E. H. GRAY: Before the tea adjournment I was expressing astonishment at the manner in which the large army of unemployed are taking the present situation. In view of all the circumstances, I think their philosophical attitude is distinctly creditable to them. That applies especially to their demeanour during the last few weeks, when the situation has been changing for the worse. Indeed, to my way of thinking the unemployed have been too philosophical. To-day there are out of employment hundreds of men who were never out of work in their lives before. They are absolutely bewildered by their position, and many of them have not the slightest idea what steps to take in order to seek relief

from the authorities. One can imagine the mental distress of a man, his wife and children who are suddenly placed in such a position; and that is happening every day. Many who were out of work six months ago are now receiving a few days' employment per week, but their places as unemployed are being taken by men who are amongst our finest citizens, men who are out of work for the first time in their lives. The position cannot remain as it is. My advice to the unemployed is to get together, though not by making mass demonstrations or kicking up a fuss in the streets, which has merely the effect of a pot boiling over. They would do well to organise in order to place their position before the authorities and public men.

Hon. Sir William Lathlain: Don't you think public men and the authorities realise the position of the unemployed?

Hon. E. H. GRAY: I do not think so; otherwise more effective steps would be taken to meet the position.

Hon. J. Cornell: Can you offer a suggestion for overcoming the difficulty?

Hon. E. H. GRAY: I offered a suggestion during the winter. I share Mr. Seddon's view that taxation could have been imposed long ago to meet the position, or help to meet it. Despite the response to the general demand for funds, thousands of people in a position to pay are not helping at all. In a crisis like this they should be made to realise their obligation to stand in and pay their share.

Hon. J. Cornell: Assuming you raise money, how would you dispose of it?

The PRESIDENT: Order!

Hon. E. H. GRAY: By finding employment of a different character from that being found to-day. One might as well try to empty the ocean with a spoon as deal with the unemployed situation by the present methods. The task is an impossible one on the lines hitherto adopted. At most we are merely staving off the evil day. Eventually we shall be brought to a standstill. Unemployed committees cannot deal with the situation. The position of the unemployed and of their families is such that ordinary measures, carried out even by the self-sacrificing workers of the committees, cannot deal with it. We must try all sorts of methods, but the best method now available is a stiff income tax, not the taxing of

picture shows, sweep tickets, bets and so forth. Let the unemployed be put on re-productive work.

Hon. J. Cornell: How is the man on the land to be kept going?

Hon. E. H. GRAY: That will have to be done somehow. When the idea of a select committee was first mooted I was opposed to it, because I thought such an inquiry unnecessary. However, after listening to the debate I have come to the conclusion that a select committee would have a marked effect on the unemployed themselves, and would show the country that this House at any rate is sincere in its desire to solve the problem. Having discussed the suggestion of a select committee with other members. I regard the idea as good. The Bill is an intricate piece of legislation, involving many side issues. There are many claims besides those for rent or payments on houses. The select committee could take evidence from landlords.

Hon. H. Seddon: And builders.

Hon. E. H. GRAY: Yes. Certainly the inquiry would do good. Clause 11 of the Bill is unfair in providing for interest at the rate of 6 per cent. on back rents. I do not agree with Mr. Cornell's view that the average unemployed would run up big arrears of rent and then shift out of the house. I have a better knowledge of the people whom this measure is intended to benefit. In my experience the best part of these men, after resuming work, pay their back bills and their back rent.

Hon. J. Cornell: Other times were different from these times.

Hon. E. H. GRAY: The majority to be protected by the Bill are married men who are desirous of paying their obligations, and who will do so although it may take them a long period. The clause provides for interest on rent at the rate of 6 per cent. per annum. The interest might well be omitted.

Hon. E. H. Harris: The Minister has an amendment on the Notice Paper as to that.

Hon. E. H. GRAY: I had not observed it. I support the second reading, and trust that the measure will be referred to a select committee, and that finally we shall be able to place on the statute-book a measure which will alleviate the present deplorable situation of thousands of our citizens.

HON. E. H. HARRIS (North-East) [7.40]: The commissioners who are to preside over the proposed courts will need to be sagacious and resourceful men if they are to give satisfaction to all persons coming before them. I would not have risen to say anything but for Mr. Fraser's remark that houses which are rented are generally erected by persons with surplus cash. Hundreds of cases could be cited where married men decide to erect homes. Employed in the Government service, such a man has been transferred elsewhere, or unemployment may have forced him to look for work elsewhere. Having contracted to purchase a house, he has continued his payments from where he has gone to reside. Let me mention a specific case, that of a resident in my province, who has written me on the subject. He had a rather large home in the metropolitan area, and owing to the transfer of some of his people decided to follow them to the goldfields. He let his home for £3 10s. per week. The tenant let some of the rooms. Now the sub-tenants of the rooms have gone, the tenant of the house is unemployed, and can pay no rent. The owner is desirous of coming back to Perth to live, but cannot get the tenant out of the place; nor can he obtain any rent. He himself is paying off 40s. per week on the house. In the circumstances the tenant should not be allowed to claim that he cannot pay £3 10s. per week for house rent, seeing that his family is very limited. Another case on which I questioned Mr. Fraser was that of some elderly ladies who were living on rent obtained from premises they own. Now they can neither get rent, nor possession of the place to look after it and protect it. There is one aspect I should like to have inquired into by the select committee if appointed. I am not conversant with the exact details of the legal position where there is a first mortgage and also a second mortgage on a property. If a man has a property that is mortgaged and lets it to a tenant or a time-payment purchaser, and thereupon a second mortgage is taken over the place, it seems to me that that position would multiply the difficulties which have been enumerated here. I support the second reading of the Bill.

HON. J. M. MACFARLANE (Metropolitan-Suburban) [7.43]: I agree that the Bill is intended to be of great benefit to those who find themselves in regrettable circumstances by reason of the depression. So far as that goes, I am entirely sympathetic. I also realise, however, that there is great risk of running to extremes when one's heart is touched by cases of this description. Then one is liable to do almost as much harm as one purposes doing good. To my mind the case for tenants, purchasers, and mortgagors has been put fairly; but there are aspects which have not been mentioned and into which the select committee, if appointed, might inquire. There is, for instance, the intermediate man, the man who builds speculatively and sells, and who has behind him a man who finances him in continued building. In such a case there may be an equity greater than that of the person who bought the property from the speculative builder. Again, there are such institutions as trustee companies acting frequently on behalf of minors and aged people on whose behalf they hold estates. These minors and aged persons are quite unable to help themselves, and are entirely dependent upon incomes from these sources. Then we have the insurance companies who are lending money for the purposes of building homes, and we must realise that if we make the position for them one of great risk, they will refuse to continue to advance money for this purpose. In that way, to an extent, the progress of the State will be retarded. I am glad that a select committee is to be appointed to investigate all these points. I have a letter from the secretary of a union at Midland Junction who asks me to endeavour to have included within the provisions of the Bill the matter of time payment for furniture. I have replied that as the Bill was to be referred to a select committee I would submit the matter to that committee. If the Bill as it is, becomes an Act there will be many applications to widen its scope to such an extent that the financial man who keeps the wheels of industry moving will be out of it altogether, and more harm will come from our attempting to be over-generous than perhaps standing by and observing carefully in the hope of doing justice to both sides. It is my intention to support the second reading of the Bill and also its reference to a select committee.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East—in reply) [7.49]: The Government are well aware of the drastic nature of the Bill and if it becomes an Act—and we hope it will—it will be in a worse position than most of our legislation because, whilst our legislation depends to a large extent on administration, the success of this Bill will depend much more in that direction than the ordinary Act of Parliament. It took a considerable time to prepare the Bill for submission to Parliament. What faced the Government the whole time was the serious state of affairs brought about, I am pleased to say, by very few people who are prepared to go to extremes to make the other side suffer. The Bill has two objects, to protect the person who rents a property and to protect those who have mortgages over property and who, through the existing state of affairs, have very little opportunity of finding the wherewithal to renew the mortgages. The former section concerned the Government most, the unfortunate who, through no fault of his own, is unable to pay rent. In the course of the debate reference has been made to other parties who are in a better position than the landlord—the tradespeople and such like. Mr. Macfarlane referred to the subject of furniture purchased on time payment. Anything that is done in the way of safeguarding positions such as those to which reference has been made must be in the nature of a moratorium, and if anything like that is done, it will bring about a serious state of affairs. A moratorium is a very dangerous thing at any time. The position referred to by Mr. Holmes in the event of rent not being paid after application having been made, is fairly well controlled by Clause 4 of the Bill, which reads—

Upon the application of any tenant a Commissioner may make a protection order in respect of the dwelling occupied by such tenant.

The clause says he "may" make a protection order, and it goes on—

No such order shall be made unless the applicant satisfies the Commissioner that, by reason of unemployment, he is unable to pay the rent

Even when he makes application, he has to satisfy the Commissioner that there is justice in the application, and that is where I contend the method of the administration of the measure will mean the success of it.

Hon. J. J. Holmes: I assume that the landlord will make inquiries, but I cannot find that there is any reference to that in the Bill.

The **MINISTER FOR COUNTRY WATER SUPPLIES**: Regulations will be framed under Clause 19, and they will provide for reasonable notice being given to all parties interested. Mr. Macfarlane alluded to the position of insurance and trustee companies. On Monday morning last, Mr. Scaddan and I received a deputation representative of the banks, building societies, insurance companies and trustee companies; in fact every interest concerned was represented. The deputation informed us that the various institutions had already done what the Bill was proposing should be done by law. Further, the deputation stressed the position that there was no hope of getting rent now, and if they turned out their tenants the houses would be empty and wreckers would appear and do damage. Either the houses had to remain empty or another tenant had to be found, a tenant who also might not be able to pay rent. Therefore, they preferred to permit the tenant they knew to remain in possession, the tenant who had, as far as he was able, met his obligations. Mr. Holmes inquired what would happen if there were many cases to be heard. I do not think there will be many cases. Like other Acts of Parliament, the moral effect of this, rather than the legal effect, will have considerable influence.

Hon. J. J. Holmes: Do you ask us to infer that the deputation that waited on you approved of the Bill.

The **MINISTER FOR COUNTRY WATER SUPPLIES**: I did not say that, but only two matters were put up by the deputation who asked that "dwelling" might be more definitely defined. What they meant was that the dwelling should be the dwelling of the humble man. The other matter dealt with was Clause 12, giving power to grant relief to mortgagors. I am in accord with the proposal to refer the Bill to a select committee. I trust that the Committee will work as expeditiously as possible because the end of the session is in sight, and it is important that the Bill should be passed at the earliest date. The moral effect of this legislation will be to do a great deal of good and every day counts, as there are many unfortunates who are liable to be

turned out of their homes. I trust that the outcome of the deliberations of the select committee will be, if it is at all possible to improve the Bill, or to make suggestions that will be of advantage and of benefit to the people for whom we are trying to legislate.

Question put and passed.

Bill read a second time.

Referred to Select Committee.

Hon. motion by Hon. H. Seddon, Bill referred to a select committee consisting of Hons. G. A. Kempton, W. H. Kitson, W. J. Mann, Sir Charles Nathan and the mover; the committee to have power to call for persons, papers and records and to report on the 16th December.

BILL—HOSPITAL FUND.

Second Reading.

Debate resumed from the 25th November.

HON. J. M. DREW (Central) [7.57]: If this Bill should become law there will be much disappointment, dissatisfaction and resentment in every centre in Western Australia where hospitals are established. It is called a hospital fund Bill, and under that guise it proposes to tax every person in the State who is earning income in excess of £52. If the proceeds of this legislation were to supplement the hospital vote by the amount collected under the Bill, then there would be very little to complain about; the Bill would deceive no one, but in reality the effect of the Bill will be that by skilful manipulation two-thirds of the sum raised will find its way into Consolidated Revenue. It is estimated that £156,000 will be collected under the Bill. According to the Minister, and he has dealt with the position more candidly than any other Minister who has spoken to the Bill, from £18,000 to £20,000 only will supplement the assistance already given to hospitals after the cost of collection and administration, as emphasised by Mr. Holmes, has been deducted. The cost of collection and the cost of administration are very difficult to gauge. The whole burden of maintaining hospitals will be thrown on the fund, and Consolidated Revenue will benefit to the tune of £104,000. Under the Bill introduced by the Collier Government every person who paid the

tax was to be entitled to free treatment at all public hospitals. If there was no accommodation in a public hospital they were to be subsidised to the extent of £2 2s. a week for treatment in a private institution. Under this Bill only married men earning the basic wage, and their dependants, and single men in receipt of less than £3 a week, will be entitled to free treatment. The term "public hospital" includes all committee hospitals, such as exist in different parts of the State. Such hospitals would under the Collier Government's Bill, have been entitled to a subsidy of £2 2s. a week for the treatment of any taxpayer who entered them. The Bill before us gives power to utilise the fund for the purpose of granting subsidies, but subsidies are granted now. What is the definition of subsidy? To my mind there is nothing in the Bill to make it obligatory on the fund to contribute to these committee hospitals an amount sufficient to cover the cost of free treatment for those who are entitled to it. It is plainly evident that the committee hospitals will have to bear the whole of the burden without any possibility of a recoup from the hospital fund. The position should be made specific. It is not specific now, but is left in the hands of the Minister. The Minister has absolute control, and need not pay a single penny to these hospitals by way of recoup. That is not merely my opinion, but the conclusion that has been arrived at by many country people who have studied the provisions of the Bill. Recently I received a letter from the committee of the Northampton hospital, protesting against it to the Minister. I shall read an extract from the letter of the secretary—

The Bill, whilst introducing free hospital treatment for a very large number of patients, makes no definite provision for reimbursing to hospitals the amount of lost fees, nor does it appear to provide sufficient funds to enable such provision to be made. The Northampton Hospital Board estimate that, due to the reduction of income and wages, the large majority of patients will come within the income limit presented by the Bill for free treatment, and the consequent loss in fees will approximate £350.

That is the view taken by the Northampton Hospital Board. Something specific should be contained in the Bill to compel the Minister to meet his obligations towards these institutions.

Hon. J. J. Holmes: That is very important. The Minister said the urgent necessity was for the metropolitan area.

Hon. J. M. DREW: This Bill brings in all committee hospitals.

Hon. J. J. Holmes: There should be an allocation. The matter should not be left to the Minister.

Hon. J. M. DREW: The Government are taking into revenue the entertainment tax, which was passed expressly for the purpose of providing for the upkeep of hospitals. In addition to that the Government are to a large extent doubling the tax. I must not forget that they are giving something in return. They are taking away about £37,000 under the entertainment tax, and the fund will lose to that extent, but they are giving back something else upon which they evidently do not place much value. They are giving to the fund the amount of fees collected by the Government hospitals.

Hon. J. M. Macfarlane: A problematical amount.

Hon. J. M. DREW: These fees amounted last year to £36,000. At that time no one except indigents, old age pensioners and aborigines were exempt from free treatment. As married taxpayers below the basic wage and single men receiving less than £3 a week will, under this Bill, be entitled to free treatment, it follows that considerably less than £36,000 will be collected this year.

Hon. Sir William Lathlain: Will not the entertainment tax be less?

Hon. E. H. Harris: It is bound to be less owing to the depression.

Hon. J. M. DREW: Amusements are still going on, and the Government are doubling the tax. I do not think the Government are likely to get £72,000 this year, but something like £60,000 should find its way into Consolidated Revenue. Under the entertainment tax the Government are protecting themselves by seizing hold of a certainty and doubling that certainty, and letting go something that will speedily evaporate under the new conditions. Hospitals will have a bad time if this Bill becomes law. Last year the Perth Hospital received £37,000 from the Government and £48,000 from other sources including fees. It will receive nothing from the Government under this Bill. What it gets, it must get from the hospital fund of

£156,000, provided for by this measure. The public have been supporting the Perth Hospital very generously. About £30,000 was raised last year by public entertainments and appeals. It seems to me it will be very difficult to get many persons to organise or patronise appeals when the tax gatherer is abroad collecting this tax. People will be obliged to pay into the hospital fund. No doubt a certain proportion of persons will continue their good work, but the response will be very feeble. It follows that the hospital fund will have to bear practically the whole burden. The Fremantle Hospital has been referred to by Mr. Kitson. Owing to the number of indigent and unemployed cases which have been admitted to it during the last few months that institution is in a bad way. In August last, according to a statement that appeared in the Press, only 6 per cent. of the patients in that hospital were able to pay. The people of Fremantle have been raising the funds needed by the hospital for several years past, and the average collections made by these energetic and charitable people have averaged about £4,500 a year. That will largely disappear when the provisions of this Bill come into operation. What about the goldfields and country committee hospitals? What will be their fate after the Perth and Fremantle hospitals have received the consideration to which they are entitled?

Hon. J. Cornell: The committees will pay the tax, and carry on as usual.

Hon. J. M. DREW: Nothing will be left for the country hospitals. They also will suffer great loss of revenue. There is an abnormal scarcity of money in the agricultural areas. I never experienced anything like it before. There is almost a total absence of cash. These hospitals are kept alive by subscribers and by regular appeals. The people who have taxed themselves in the past for this purpose are again to be taxed under the Bill. There should be many persons qualified for free treatment in these agricultural districts as the result of the depression and poverty that exist. As Mr. Stewart pointed out last night, there is as much poverty in some agricultural centres as there is amongst the unemployed in Perth. The result will be that these people will be unable to finance their hospitals. They cannot hope for any subsidy from the Government in order to recoup or compen-

sate them for the care of those who will be entitled to free treatment. The goldfields hospitals are also well maintained by the people who subscribe towards their upkeep. This Bill is in bad odour with the goldfields people. Last week a prominent resident of Meekatharra waited upon me, and told me that the miners of that town were contributing 1s. 6d. a week towards their hospital fund, and that the Wiluna miners were contributing 2s. 2d. a week. If this Bill is passed they will pay the tax because they will be obliged to do so, but will cease their contributions to their local funds and throw upon the Government the responsibility of maintaining the hospitals.

Hon. E. H. Harris: Why should they cease their contributions? What advantage would that be to them? They pay these amounts in order to secure free hospital treatment.

Hon. J. M. DREW: They will be taxed under the Bill and will receive no recognition for so doing.

Hon. E. H. Harris: Everyone else will be taxed the same.

Hon. J. M. DREW: Everyone else will resent the principles of the Bill.

Hon. C. H. Wittenoom: You are taking it for granted that everything will be paid out in Perth and Fremantle, and that nothing will be left for the country.

Hon. J. M. DREW: That must be so. I am not complaining about it. It will be necessary and inevitable, and very little will be left for the country.

Hon. E. H. Harris: Would not the money be distributed on a pro rata basis?

Hon. J. M. DREW: There is nothing in the Bill to say so. I have received the following communication from the secretary of the Meekatharra Public Hospital dated the 22nd November, 1930:—

I am directed by the members of the Meekatharra hospital committee to ask you to oppose the Hospital Bill when it comes before the Legislative Council, and in doing so I should like to place a few facts before you to show you the position the committee hospitals will be placed in if the Bill becomes law. Taking the Meekatharra Hospital as an example—There are at present 300 voluntary subscribers to the hospital, 270 of whom are married or single men who pay 1s. 6d. per week and 30 women who pay 1s. per week, or a total of £1,131 paid to the medical fund during the 12 months. Under the proposed Bill, it is intended to tax the whole of the people at the rate of 1½d. in the pound on all income derived from personal exertion.

Should the Bill pass, the people will refuse to pay into the medical fund, and the amount of money will be lost to the hospital. The financial statement for the period ended the 30th June, 1930, recently audited by the Government auditor, shows an income of £2,586, of which amount £300 was the Government subsidy, the balance of £2,286 having been found by the people of the Meekatharra road board district to support the hospital. During the term mentioned, 282 in-patients were admitted and received 2,322 days' treatment, and 2,593 out-patients were treated during the same time. The few figures I have placed before you show that if the Bill becomes law, committee hospitals must close down or be taken over by the Government, with increased expense to the Medical Department.

Obviously, some of the agricultural districts may follow suit. I read an extract from a communication I had received from the Northampton Hospital Board, and wish to place before hon. members a further extract from that document. They refer to a loss of £350 through having to supply free treatment to persons in receipt of less than the basic wage, and they say—

The loss by reduction of local subscriptions, due partly to depression and partly to the introduction of direct taxation, the board estimate will be at least 50 per cent. of the annual collection of just over £200. They have to look, therefore, for £450 to £500 to balance their budget, and they see no provision in the Bill to provide beyond a fraction of this amount. The moneys to be available for hospitals will be approximately £42,000 more than at present

Of course, the members of the board are mistaken in that regard. It is admitted now that there will be between £18,000 and £20,000. The board took it for granted that there will be £42,000 more than is available at present—

. an increase of approximately 30 per cent., and as the board now receive a subsidy of £100, an increase of 30 per cent. will be of little assistance.

That communication has been received from members of the board who have made themselves acquainted with the principles of the Bill. There are many other hospital boards whose members have not had an opportunity to study the measure, but when they have had that opportunity, I am afraid the Minister for Health will be in for a bad time. What will happen in a majority of instances is that country hospitals will be closed down, not through any lack of enthusiasm for a noble cause, but from sheer

inability to finance them in this time of depression, and because of the abolition of the annual vote that has been provided by the Government for many years past. The Bill is deceptive and misleading. Its object seems to be to relieve Consolidated Revenue, but at the same time it fails to provide sufficient revenue to meet the conditions that apply to the different hospitals of the State. It will not benefit those hospitals, if it was intended to do so, and I am positive it will injure them seriously. If the former arrangements had remained intact, all would have been well, and there would have been nothing to complain about, but with the loss of the annual vote, and the entertainments tax, for which no relief has been substituted apart from the mere collections from patients at the Government hospitals, and with the possibility of the country hospitals being called upon to shoulder the burden of the benefits provided for small taxpayers, the outlook for the sick and suffering of the State is gloomy indeed. I do not like to oppose taxation measures introduced by the Government in these times, but I cannot bring myself to undertake the responsibility of supporting the Bill and attempting to justify my action before any of my constituents, whether in the goldfields or agricultural areas. I am certain that when the Bill becomes operative and its effects are experienced, there will be an outburst of resentment throughout the State. I, for one, will not undertake the responsibility of supporting the Bill despite the financial position of the Government and their need for revenue. I cannot support the Bill and attempt to justify my action before those who sent me to Parliament.

HON. J. CORNELL (South) [8.21]: For years past I have advocated the imposition of a hospital tax by means of a direct levy on the people. I have always qualified my advocacy by insisting that the tax should be definitely earmarked for hospital purposes, so that no Treasurer or Minister would be able to take any of the funds. The money should be provided for hospitals and should be used for nothing else. The Bill provides the machinery whereby the tax may be imposed, and the taxing Bill itself will be introduced later. Mr. Drew said that the proceeds of the tax will go into Consolidated Revenue. That is wrong.

Hon. J. M. Drew: I did not say so. I said it would relieve Consolidated Revenue.

Hon. J. CORNELL: Certainly the money will get there, and it is hard to say how it will get out. I shall not vote for the second reading of the Bill, unless we have a clear indication that it will be amended so that the money raised will be devoted entirely to hospital funds.

Hon. E. H. Harris: Do you intend to suggest another select committee?

Hon. J. CORNELL: No, I do not think we would have enough members to go round. It is said that the estimated revenue to be derived from the tax will be £156,000. It is hard to arrive at an estimate as to what amount will be raised. Clause 4 deals with that phase and sets out that the tax shall be raised on incomes, whether salaries or wages. I take it the farmers will come under the heading of income, and I do not think 2 per cent. of the farming community will enjoy any income in these days.

Hon. J. J. Holmes: Nor yet the pastoral community.

Hon. J. M. Macfarlane: Or the commercial community.

Hon. Sir William Lathlain: Or the trading community.

Hon. J. CORNELL: Such estimates represent more or less a guess. The entertainments tax would never have been enacted by Parliament had it not been specially earmarked for hospital purposes. The Government now propose to take the collections from that source into Consolidated Revenue, but we shall have an opportunity to deal with that phase at a later stage. The only return the taxpayers will derive as a result of the imposition of the hospital tax will be that married men on the basic wage and single men receiving under £156 a year, will get free treatment. No one else will secure any benefit. The Bill introduced by the Labour Government had redeeming features that the present Bill does not possess. The earlier Bill did extend a measure of relief to taxpayers who required medical treatment, but the present Bill does not go that far. It is safe to say that 90 per cent. of the workers in the agricultural areas will be brought within the limitations imposed by the Bill, and will secure the benefit of free hospital treatment, as well as married men in receipt of the basic wage. On the other hand, if we turn to the position of the committee hospitals, particularly on the gold-

fields, the position is equally serious. In the South Province, on the rolls for which there are the names of 4,000 electors, there are four hospitals. They are at Kalgoorlie, Norseman and Esperance, and the fourth is a hospital run by a matron at Ravens-thorpe. Let me refer to the position at Southern Cross. I have here a statement regarding the position there. The chairman of the local district medical and hospital fund expresses opposition to the Bill on the following grounds:—

1. Under Clause 13, if the Bill is carried in its proposed form, our fund would cease to exist owing to the fact that some of our members would be entitled to benefits under the Bill, while others who would derive no benefits will refuse to pay the tax and subscribe to our funds at the same time.

2. Under the Bill no provision is made to assist funds such as ours by way of a subsidy, nor have we any guarantee that there will be a public hospital established at Southern Cross. Should we be without a hospital it means that all our cases requiring treatment would have to be taken either to Perth, Northam or Kalgoorlie.

3. Should our fund cease, there is a possibility that this district will be without the services of a doctor, and all cases, including casualties, will be unable to get medical attention locally. No doubt from your knowledge you are well aware of the great good our funds have been to the people during the last ten years, not only to our subscribers, but to the people generally.

That is a most important point to be taken into consideration. This applies to Norseman, as well as to Southern Cross. Through the efforts of the local hospitals, the services of resident medical officers have been obtained. If the subsidy is lost, then there is a grave danger of the districts being deprived of the splendid services of those medical gentlemen. Finally, the chairman says—

4. Under Clause 11, paragraph (c), maternity cases are not provided for, and it means the closing of our subsidised hospital and the attendant misery and expense of sending most, if not all, of our cases away for treatment.

5. My committee hope the Bill as it stands will not be passed, and ask you to do your best to prevent anything which will be detrimental to local funds such as we have in this district.

It is in the country where the effects of this Bill are likely to be felt. Nobody from the country has much to say in favour of it. At Kalgoorlie there is a Government hospital subsidised by the Government. It may continue to be so subsidised, but there

will be a very great tax-paying community in the Kalgoorlie-Boulder district. What is going to happen there is that a married man on the basic wage will get free hospital treatment, but no single man will enjoy that advantage. To-day, contribution to a medical fund is a condition of employment on the mines. It has been so for many years past. A married man pays 3s. out of each pay towards this fund, from which is provided a doctor and medical and hospital attendance; while a single man has to pay 2s. per pay. Until quite recently the medical men at Kalgoorlie and Boulder provided their own hospitals, and for that fixed sum of 3s. per married man and 2s. per single man medical treatment was provided for each man and his dependants, while if the husband met with an accident he received hospital treatment as well. Assuming that the Kalgoorlie hospital will be further subsidised from this fund, the additional subsidy is not likely to be sufficient to provide free hospital treatment. Under the Bill that could not be. So it means that the men who to-day are providing against sickness and accident through their medical funds, will have to continue their contributions to those funds and pay the tax as well. I will not stand for that. I can see only one means by which the Bill can proceed, namely, that we amend it in such a way as to ensure that the whole of the tax raised under it shall specifically go into hospitals, and something shall be provided by way of return to the taxpayer. I would not go so far as that provision in the Collier Government's Bill, which prescribed a payment of 6s. per day, nor would I subsidise private hospitals; but I really think that where there are Government subsidised hospitals there should be a direct tax to ensure medical treatment being given at those hospitals to the taxpayer. I would not suggest the appointment of another select committee, for I think Mr. Lovekin, who was chairman of the select committee on the Hospital Bill of two years ago, could very well draft for this Bill the amendments necessary to bring it into conformity with what we desire. Certainly the time has arrived for the imposition of a hospital tax, although it was never so inopportune as it is to-day. On the other hand, the time was never so opportune for some measure of free medical treatment for those requiring it.

HON. SIR WILLIAM LATHLAIN (Metropolitan-Suburban) [8.37]: Two years ago I opposed the Hospital Bill, but I am afraid that this time I must alter my attitude. Ever since Western Australia became a self-governing colony there has been sufficient general revenue for the hospitals and asylums, for the sick and distressed should be the first charge on our revenues. It is true the cost of our asylums and hospitals has increased, but not in anything like the same ratio as our general revenue. But our general revenue has been devoted to other purposes, such as the 44-hour week and the long-service leave. This is the third Hospital Bill we have had in fairly rapid succession, and I feel that, provided certain amendments can be made in it, I will have to give it my support. For, after all, we must make a start, although since we have rejected two other Hospital Bills, it appears to be pretty difficult to get a start. Still, owing to the financial stringency it is clear that we must do something to provide for the upkeep of our hospitals. I agree with Mr. Cornell that the money in this proposed fund must be specifically marked for our hospitals and not diverted into other channels. I hope that in Committee we may be able to prescribe the allocation to these various hospitals and not leave it to the sole discretion of the Ministry. I have a distinct recollection of the distribution of certain moneys being left to the discretion of a Minister, when on a previous occasion I had the honour to be Mayor of Perth. That Minister was responsible for the distribution of the traffic fees. He carried that distribution around with him on a little piece of paper in his vest pocket. That was the allocation of the distribution made under the Minister's discretion, but nobody else could find out how that money was distributed. It may be that just now we have a very excellent Minister in charge of hospitals, but, on the other hand, we may not always have so good a Minister. Consequently, I say the money raised for this specific purpose should be exclusively devoted to the requirements of hospitals in accordance with the terms of the Bill, and I am strongly of opinion that the allocation should be prescribed in the Bill and not left to the discretion of the Minister. I will support the second reading, but I hope

that in Committee we may be able to improve the Bill in the directions suggested.

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

BILL—TOTALISATOR DUTY ACT AMENDMENT.

Second Reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [8.43] in moving the second reading said: Earlier in the session I explained the necessity for additional taxation and intimated the intention of the Government to consult Parliament in regard to an increase in the existing rate of tax on totalisator receipts. Under the present Act the rate of tax is: (a) 5 per cent. on the gross takings; (b) 6 per cent. on the net takings undistributed after a dividend has been declared, known as fractions; (c) 6 per cent. on unclaimed dividends. It is now proposed to increase the rates to $7\frac{1}{2}$ per cent. under each of the three headings. In arriving at the net takings, referred to in Section 3 paragraph (b) of the principal Act, totalisator commission at the rate of $12\frac{1}{2}$ per cent. is deducted from the gross takings; by this Bill that percentage will be increased by 1 per cent. Last year the Treasury derived a benefit of £61,000 from totalisator duty, and it is expected that the increased percentage proposed by this Bill will return £10,000 additional, but that anticipation may not be realised owing to the increasing depression. I move—

That the Bill be now read a second time.

HON. J. CORNELL (South) [8.45]: If nobody else intends to do so, I shall put up a plea for the punter. This is the ninth taxation Bill presented to us this session, that is including the Traffic Act Amendment Bill, which was really a taxing measure.

Hon. J. M. Macfarlane: We are trying to tax people into prosperity.

Hon. J. CORNELL: Other taxing measures include the Land Tax and Income Tax Bill, Parliamentary Allowances Amendment Bill, three Stamp Act Amendment Bills, Hospital Fund Bill, Entertainments Tax Bill and Totalisator Tax Bill. I confess to having a certain admiration for the sporting and pleasure-loving section of the com-

munity. If those people suddenly turned wowsers, we might as well commit suicide, for life would not be worth living. They seem to add a certain zip to life on this earth. In order to augment Consolidated Revenue in the present difficult times, there seems to be a tendency to confine taxation to the man who goes to the races, to the trots, to picture shows or some other form of enjoyment.

Hon. Sir William Lathlain: Suppose he goes to none of them?

Hon. J. CORNELL: Then he pays no tax. I was seriously thinking of introducing a Bill for an Act to tax Bibles, but then I was told that a lot of the people who use them do not buy them, but borrow one from the other fellow, so we would not get much revenue from them. There is a limit to which taxation can be imposed upon any section of the community. The Bill proposes to increase the tax on totalisator receipts from 6 per cent to $7\frac{1}{2}$ per cent., and instead of $12\frac{1}{2}$ per cent. of the gross amount invested being deducted, the percentage will be $13\frac{1}{2}$. By imposing taxation in this tiddley-winking, finnickay way, we are proceeding on totally wrong lines. The only honest and logical course to adopt in order to raise the revenue required is to impose a super tax on incomes. We are prepared to double the tax on a man who bets 5s. at the races, we are prepared to double the tax on entertainments, it is proposed to increase the totalisator tax, and we are being asked to tax winning bets, but I notice that the Land Tax and Income Tax Act still provides for a rebate of 33 $\frac{1}{3}$ per cent., just as it did when conditions were very much better than they are to-day. For a good many years the present income tax has operated, but when we got a windfall from the Federal Government in the shape of a disabilities grant, the Government, in order to win a little popularity, adopted the brilliant idea of reducing the income tax by 33 $\frac{1}{3}$ per cent.

Hon. Sir William Lathlain: That was conditional on the grant.

Hon. E. H. Harris: Not at all.

Hon. J. CORNELL: It was not a condition of the grant. That was done in good times. Now that we have reached bad times, we still continue the rebate, and introduce a lot of little pettifogging taxes to get at the man who goes to the races, has

a bet or patronises the pictures. The Government would be wise if they cut out the rebate. I think I am the first member to direct attention to the fact that we are perpetuating in bad times a rebate granted in good times. I do not wish to speak disparagingly of the present Government, but I cannot agree with their methods. When speaking on the Bill to impose a tax on sweep tickets, I remarked that if there was a hard and an easy way of doing things, the present Government would adopt the hard way. I now say that if there is a direct way of doing things and a devious way, we can guarantee that the present Government will adopt the devious way. It is not too late even now to take the hard and open road, and that is to increase the tax on incomes and let these other little taxes go by the board.

On motion by Hon. F. H. Harris, debate adjourned.

House adjourned at 8.53 p.m.

Legislative Assembly,

Thursday, 27th November, 1930.

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

PERSONAL EXPLANATION.

Minister for Works and Harvey Irrigation Scheme.

THE MINISTER FOR WORKS (Hon. J. Lindsay—Mt. Marshall) [4.33]: I wish to make a personal explanation. Last night