

Mr. ANGWIN supported the reduction of the item. Dr. Montgomery received quarters, water, fuel, and light in addition to the salary which was classified by the Public Service Commissioner at a maximum of £700. Even if the work had doubled, there were now two medical officers to deal with it. There was too great a discrepancy between the salary of the Inspector General and that of the Assistant Medical Officer, £450.

Mr. HEITMANN opposed the amendment. The salary did not reach the average earnings of the medical men in Western Australia.

Mr. TROY supported the amendment. This officer had one of the finest residences in the metropolitan area. In regard to the figures mentioned by the Treasurer, they had previously been used by the Treasurer to prove what reductions would be brought about by the installation of the electric lighting plant.

*The Treasurer:* Nothing of the sort.

Amendment put and negatived.

Item—Assistant Medical Officer, £450:

Mr. TROY: In this item there was an increase of £57 shown, so he intended to oppose it.

*The TREASURER:* The salary of the officer was always fixed at £450, and the reason why the expenditure last year was only £393 was that only a portion of the officer's pay was provided for.

Other items agreed to; vote put and passed.

Vote—Medical and Public Health, £87,592:

Mr. TROY: There was a compact to report progress at this stage.

*The TREASURER:* Certainly a compact was entered into but it was never expected that before the stage for adjournment was reached we should have been compelled to sit all night. It was to be hoped that the next time a compact was made it would be kept better than the present one had been.

Mr. HEITMANN: There had been no obstruction.

Progress reported, and leave given to sit again.

## ADJOURNMENT.

The House adjourned at 4.34 o'clock a.m. Saturday, until the next Tuesday.

## Legislative Council.

Tuesday, 10th December, 1907.

Question: Aborigines, as to Treatment.	Page 141f
Motion: Metropolitan Water Supply from Mundaring.	141f
Bill: Land and Income Tax Assessment, Amendment (six months) negatived, 2a, passed	141f

The PRESIDENT took the Chair at 4.30 o'clock p.m.

Prayers.

## PAPERS PRESENTED.

By the President: Public Accounts for the Financial Year ended 30th June, 1907, accompanied by the Seventeenth Report of the Auditor General.

By the Colonial Secretary: Report of the Perth Public Hospital for the year ended 30th June, 1907.

## QUESTION—ABORIGINES, AS TO TREATMENT.

Hon. J. W. LANGSFORD asked the Colonial Secretary (without notice): 1, Has the attention of the Government been drawn to a statement of the Special Reporter of the *West Australian* newspaper, appearing in that paper on Saturday, 7th December, under the heading "in the Nor' West," to the effect that—

"Natives are assigned to proprietors of hotels, and yet to have one of them intoxicated on the premises is a statutory offence. Personally, I have seen some of these native servants sampling the dregs put out from the bar-drain—

ing, whisky, lüger beer, brandy, stout, and, appropriately enough square gin bottles, to the very last drop. This is bad enough, but the R.M., or whoever is responsible, assigns or licenses, or whatever term you may call it, native women to Malays, Japanese, or Chinamen, as servants. These Australian native women are simply kept for the pleasure of coloured men connected with the pearling fleet during lay-up season. There will be at least a couple of thousand additional men from the luggers in Broome during the next few weeks, and what will happen can easily be surmised."

Will the Government take immediate steps to find out? 2, How many, if any, natives have been assigned or licensed to hotel proprietors in Broome? 3, How many, if any, natives have been assigned or licensed to either, Malays, Japanese, or Chinamen, in Broome? 4, Has the Government reason to believe that there is any foundation for the charges made? 5, Will the Government take steps to immediately contradict the statements if found to be untrue?

The COLONIAL SECRETARY replied: 1, Yes. 2, 12 to hotel proprietors. 3, 50 to Asiatics. 4, Mr. Isdell, Travelling Inspector (who is in Broome), has reported that the system is unsatisfactory, and instructions have already been given (1), That no farther permits be issued to Asiatics whatsoever. (2), That all existing permits be cancelled at the discretion of the travelling inspector. (3), That no farther permits be issued to hotelkeepers, and those in existence cancelled if found desirable. (4), All unemployed natives are forbidden the town, and those in employment must leave the town at sunset for native reserve unless exempted by the inspector. (5), The law to be rigidly enforced against people supplying natives with intoxicating liquor.

#### MOTION—METROPOLITAN WATER SUPPLY FROM MUNDARING.

Hon. G. BELLINGHAM moved—

*That in the opinion of this House it is desirable that the services of an expert hydraulic engineer be obtained to report on the feasibility and desira-*

*bility of providing a water supply from the Mundaring Weir to Perth, Fremantle, and suburbs.*

He said: I have brought forward this motion as the outcome of the motion introduced by Mr. Patrick, which was fully debated during the past few weeks. Most of the members who spoke on that motion believed that the surplus water running over the weir at Mundaring should be brought down to supply the people of Perth and Fremantle. The figures supplied by Mr. Loton and Mr. Wright convinced the House that the supply running to waste from the weir at Mundaring would give a sufficient quantity of water to supply the metropolitan area with five million gallons a day, which with the existing supply would be enough, without the expenditure of any great sum, to meet requirements for the next 15 or 20 years. These figures have never been contradicted. It would be far better to adopt this system than to enter into the elaborate scheme of supplying the metropolis with water by a proposal which would mean the expenditure of over a million pounds. The water is there and all that is required is that it should be brought to Perth. On account of the full debate we had on Mr. Patrick's motion, I do not intend to waste the time of the House in speaking at length to this motion and I think that members, or at all events the majority of them, will vote in favour of it. I say this because of the feeling evinced during the course of the debate last week.

On motion by the Hon. J. T. Glowrey, debate adjourned.

#### BILL—LAND AND INCOME TAX ASSESSMENT.

*Machinery Measure—Second Reading.*

Resumed from the 6th December.

Hon. C. A. PIESSE: I have no desire to oppose the Government in this matter in a foolish way, and I have not determined upon what course I am to pursue without having given the question much serious thought. I do not know of any matter connected with my political life to which I have given such serious thought as to this one. I wish to say at the out-

set that the result of my deliberations is that I am as strongly opposed to the Bill as ever. Up to the present I have heard five members speak to the present question, the number including the Colonial Secretary who introduced the Bill, and I must confess that I have heard no arguments to influence me to alter my decision. Their support is in fact of a somewhat mixed nature. Even the Colonial Secretary himself admitted that the Bill was not perfect. [*The Colonial Secretary: What Bill is it?*] The Minister would lead us to think he fully anticipated that plenty of errors would be found in this Bill. Mr. Moss gave his reasons for supporting the Bill this year, and figuratively speaking "wiped the floor" with the measure. After tearing the Bill to fragments he said he would support what was left of it. Upon that speech the opponents of the Bill are justified in claiming the vote of the hon. member. Mr. Clarke gave his conditional support and so did Mr. McLarty. I must confess that I was somewhat surprised at the changed views of Mr. McLarty, although everyone has a perfect right to change his views; but the effect of what he said was that he was prepared to cut off his nose in order to spite the other fellow's face. The only other speaker was Mr. Laurie, who to my mind drew that constitutional red herring, which the Colonial Secretary unearthed, round and round the Bill, and gave very few arguments in favour of the measure. In his genial way he promised his support, but that support also was conditional, although the condition he made was different from that of the other speakers, for he said his amendments would not have the effect of wrecking the Bill. That is the position to the present. I happen to be the first out-and-out opponent of the Bill to speak on the measure. My principal reason for opposing the Bill is that the people have never been consulted. There is no getting away from the fact that the proposed tax is the most serious class of taxation it is possible to impose on the people. I defy any supporter of the measure to say the people have been consulted with regard to the question. That

alone in my opinion is sufficient to justify my opposition. Before we pass this double-barrelled Bill into law, the people should be consulted, even at the expense of the resignation of the Government. To my mind it is admitted on all hands that we are the heaviest taxed people in the Commonwealth, being in this respect head and shoulders over any other State. In view of that, and taking into consideration the immense revenue we receive, I am of opinion that our revenue is ample for all purposes, provided it is used rightly. I am of opinion, too, and that opinion has been strengthened by the recent action of the Railway Department, showing how many hands can be dispensed with, that the whole of our public service is considerably overmanned. There is no getting away from the fact that our public departments were built up in days when the country was spending a lot of money, and were built up on a scale which was probably necessary at that period in the history of the State. But to-day the country is not spending a lot of money; and I maintain that the example shown by the Railway Department should be followed by every other department. But one glance at the Estimates submitted this session shows that the only department which proposes a reduction is the Railway Department. I have taken out from the Estimates a short table showing how the departments have increased their expenditure this year instead of decreasing it. In the Lands Department we find £4,702 more to be spent this year than was spent last year; and with the other departments the increases are as follow: Education, £11,081—as Mr. Moss remarks, no one objects to that; Mines, £2,870; Attorney General, £7,410; Public Works, £22,417; Colonial Secretary, £4,196; Minister for Agriculture, £6,423; or a total increased expenditure of £59,099. In addition we have an increase of loan and sinking fund amounting to £44,931, or a total increase on the Estimates for this year as compared with last year of £104,030. The railways on the other hand show a reduction of £31,636, and the Colonial Treasurer's Department a reduction of £40,860. But in the Treasurer's depart-

ment there has not been any reduction of staff worth mentioning. The reduction is purely a saving in the Miscellaneous vote. I think I have said enough to show that no great effort has been made up to the present to curtail expenditure or to reduce staffs. As I said, one does not desire any curtailment of expenditure in the Education Department, except where it is obviously feasible; but in every other department we might certainly have expected from the Government of the State, at this stage in its history, an evidence of an intention to reduce expenditure in connection with those departments which I have mentioned as showing excesses. Another undertaking that helps to make the balance fall on the wrong side is the Goldfields Water Scheme, of which so much has been said. I have not spoken on it, but I think the scheme can be put on a better footing, although at the outset I objected to the goldfields having to pay so heavy a sinking fund contribution as three per cent. I look upon the scheme as a national undertaking, the sinking fund in respect of which should be paid by the State without any special charge on the goldfields people.

*Hon. J. T. Glowrey:* What would you do?

*Hon. C. A. PIESSE:* I am pointing out that several propositions have been made as to the manner in which the scheme should be made to pay. If all of these propositions were tried and failed, I should go to the extreme of making the goldfields people pay more for the water. There is no getting away from the fact that the goldfields are supplied with water at a much lower price, considering the distance from the source of supply, than our farmers are supplied. I say we could not possibly supply water to our farmers, delivered to the stock, at 7s. 6d. per thousand gallons. Considering the cost of making a dam or sinking a well, the cost of raising the water, and ordinary interest on the capital so expended, we shall find that the price of supplying water to farm stock would be more than the goldfields people have to pay for the water pumped all the way from Mun-

daring Weir. I do not suggest imposing an extreme charge on the goldfields, but we might impose a slight increase. The goldfields people have many advantages. They have the best train service in Australia, while our farmers have the very worst. We agriculturists travel in ramshackle carriages, the goldfields people in the very best. More power to the goldfields people, they deserve the accommodation; for no doubt they have done a great work. But when we consider the many conveniences they have, it is fair that they should bear if necessary a slightly larger share of the burden of the scheme. On the other hand, I am hoping that by bringing water to Perth, the burden to the goldfields people need not be increased.

The PRESIDENT: I think it would be well for the hon. member to confine himself to the question.

*Hon. C. A. PIESSE:* I am showing where a saving could be made, in reply to Mr. Glowrey, who asked me what I would do. There is another thing that hangs like a millstone round our necks. I have been misrepresented in connection with this matter. In the matter of the sinking fund my efforts have always been directed to devising some means whereby we can relieve ourselves of the strain to which we are subjected; but the moment I make a suggestion, which even if not the best possible is the best I can think of, I am made to appear in one of the city papers as a sort of robber, who would abolish the sinking fund and use it for my purposes because I am a land owner. I pass by that statement for what it is worth; but I think it is just about time that we began to face this sinking fund problem. This year our sinking fund payment will be £238,668, representing seven per cent. of our expected revenue. Last year it was six per cent. If the same burden was placed on the people of the other States, they would have to make up over three millions annually; but they do not attempt that; they do not attempt anything so foolish. If they did, they could not possibly succeed. Here we are submitting to this annual charge because it was arranged for us in days when we could not entirely control our

affairs. Probably at that time the arrangement was wise. But it is said we must not interfere with the arrangement because it constitutes a sort of contract. I consider it was simply a domestic arrangement for providing the means of raising money. Our obligation is to pay the borrowed money on the very day and hour when it is due ; and the State is in a position to do that. How we raise it had nothing to do with the people who lent the money. I maintain it is just about time we looked this problem fairly and squarely in the face, as it would be regarded by a business man. If there is no other way—if the debenture holders must have a say in the matter—let us get the opinion of the debenture holders. If it costs £20,000 to get that opinion, the money will be well spent. But to go on foolishly paying this enormous sum towards a sinking fund, a sum representing a million of money for four years, by 260,000 people, is monstrous. Such payments cannot possibly continue. I anticipate no trouble whatever in securing the consent of the debenture holders to a reduction of the sinking fund payment to a half per cent.—a burden quite heavy enough for us to carry, and I take it from a rough calculation I have made, that this reduction will liberate at least £140,000 of our present revenue, and enable us to keep pace with all the excellent developmental proposals of the Government—for I must give them credit for excellent proposals with regard to railways and other public works. The reduction will give us an opportunity of keeping pace with the necessary expenditure which those proposals will entail.

*Member :* What about the Fremantle dock and Denmark railway purchase ?

*Hon. C. A. PIESSE :* These works are scarcely worth mentioning as compared with the matter I am now discussing. We can afford in this matter of the sinking fund to profit by the experience of the other States. I have been told on the best authority that the other States have found it inconvenient to keep up sinking-fund payments as originally proposed ; and they have not accumulated in England as much money as we have accumulated. In all these long years

Victoria has accumulated only £1,600,000 of sinking fund, and our sinking fund exceeds that amount to-day, if my memory serves me rightly.

*The Colonial Secretary :* Victoria borrowed under different conditions.

*Hon. C. A. PIESSE :* I am told Victoria borrowed under sinking fund conditions the same as ours ; and Victoria found it was impossible to keep up the sinking fund payments, so she simply brought in a convenient Bill and suspended for a time the operation of the sinking fund provision. Eventually Victoria is not paying anything at all to a sinking fund.

*The Colonial Secretary :* That was repudiation.

*Hon. C. A. PIESSE :* Repudiation ? But what about bringing all those hundreds of settlers to this State since 1900, putting them on the land, telling them there was no land tax, and bringing in this Land Tax Assessment Bill to-day ? Is that not repudiation of a most glaring character—the worst class of repudiation ? There is no getting away from that. I do not wish to suggest going back on the promise we have made to the debenture holders. I have never suggested anything of the kind. But we should not go back on the promise we have made to our settlers. The Government ought to remember that in this matter of the compact with their land settlers they are repudiating. I want to keep to the subject, or I could show lots of other things in the Government policy that are not fair—I could refer to their promise to reduce railway freights, for instance. What would any sensible man do in his private capacity with regard to the sinking fund ? He would at once take steps to look thoroughly into the matter.

*Hon. G. Sommers :* Call his creditors together.

*Hon. C. A. PIESSE :* Yes. Let us do the same. It is far better than going on like this.

*Hon. J. W. Hackett :* That would mean going into liquidation.

*Hon. C. A. PIESSE :* It does not always mean liquidation. Very often the debtor comes out in a better position. I

do not mean to take so extreme a course, but merely to consult those to whom we owe money. Take the sinking fund on the Great Southern Railway,  $1\frac{1}{2}$  per cent. on £1,100,000. I ought to know something about that railway and the sinking fund. Is there any reason why we should saddle that railway with  $1\frac{1}{2}$  per cent. sinking fund? I wish to show the good value we received for the purchase money. There were 3 million acres of land and 240 odd miles of railway then bought by the State, and eight or nine of the finest towns in the country were included with the considerable advantage that very few blocks in the townships had been selected; and if the Government had to buy this line to-day, they would have to pay three times the money for it. Yet to-day we are paying  $1\frac{1}{2}$  per cent. sinking fund on that purchase money. I maintain that a half per cent. would be ample in that case; and when we repay the money we borrowed to purchase that railway, the railway will be worth £4 or probably £5 for every pound we borrowed for the purchase of that great property. Is not that an asset of sufficient security? I say it is, and there are many instances of that kind. I maintain the value of our assets is increasing. Of course I admit there will be considerable difficulty in putting this on the footing I suggest, but it should be done at once, especially in such a small community. We must insist on making the sinking fund lighter, and the people should be given every opportunity of taking this advantage. I have no hesitation as a business man in suggesting to do it in this way—borrowing sufficient money on a sinking fund of a half per cent. to cover our loans, and pay it all off for cash. It seems to me that the State with this sinking fund is very much like the swan, the State emblem, with its head held down under water by a weight. I should put the Coolgardie Water Scheme on a safer basis. We are asking the goldfields people to pay 3 per cent. sinking fund. It is manifestly unfair. As Mr. Glawrey said the other day, that scheme will be there after the time for the repayment has gone by, and it is not fair

that the people on the goldfields should have to pay this 3 per cent. Another thing is in regard to this so-called deficit. A business house with the same opportunity that Western Australia has would never think of showing a deficit. It would not be justified in doing it. It would be absolutely illegal if they were making profits to show a deficit. We have no right to say to the world that Western Australia is behind because our balance-sheets are wrongly compiled. We are making a profit when we take into consideration this £230,000 that goes out of revenue towards meeting the sinking fund. It is blazoning forth to the world that we have a deficit and that our revenue will not pay the expenses in connection with the government of the State, though we are making a profit. It is just about time we gave to the world the true position. If it is absolutely necessary that it shall show in the form the Government are now putting it in, let us also have a supplementary balance-sheet showing the true position. I asked the other day what was spent in connection with surveys before selection and the answer was that it was something about £8,000 or £9,000. This is money that is taken from the revenue to-day and put into work, and it will take four or five years or perhaps ten years before it will be returned. It is different from sinking it in harbour works or a railway. In this instance we are taking ordinary revenue and putting it into surveys before selection, and we are not giving the country credit for it. That is unfair. There should be a system of book-keeping to show that so much revenue is raised this year and is used for certain purposes, and that the assets of the country are so much better. It is like stock. We are selling it and the money is coming back, yet no credit is given for it. It is a shame to brand Western Australia as having a deficit, when nothing of the kind exists. Our State is doing wonderful work. It has never hesitated and will never hesitate to pay, as it will this year, £659,852 in interest. It will raise easily this sum which is 20 per cent. of our anticipated revenue. No other country in the world is doing better. It is just about time we

looked thoroughly into this matter and gave the 260,000 people in our State a little ease.

*Hon. R. F. Sholl* : I wish you had spoken like this last year.

*Hon. C. A. PIESSE* : I think I have said enough to show that Western Australia is not getting the credit that is due to it and that it is in a strong position, and that there is no need for farther taxation. We know that the departments were created at a time when there was a demand for works, but we know we are not doing the same amount of works now, so we must be justified in reducing the expenditure in connection with the departments. Now I come to the Bill. I have said enough in a general way. I trust the motion will not pass ; but if it does I shall endeavour to amend certain clauses. This is a double-barrelled tax ; because no matter how easy we make it for the man on the land, if we do not get him with the land tax, we bring him down with the income tax. I am not prepared to see the man who has improved his land heavily taxed. Of course if he gets no revenue he will pay no tax ; that should be the position ; if he does not improve his land then I say make him pay the full penny ; but if he does improve his land I think the rebate should be two-thirds. Once before I urged this matter on the Government, but it was said it was unconstitutional to leave out the man who improved his land, and that it was necessary to bring him in in order to make it possible to get at the other fellow. If that is the case I ask the Government to reconsider the clause dealing with improvements and make it as light as possible for the man who improves his land, because if he makes an income we can get at him with the other barrel. In these circumstances I purpose moving certain amendments in connection with the different clauses. In Clause 10 Subclause 1 I propose to move to strike out "one-half" and insert "two-thirds." That will mean that the taxpayer who improves his land will get off with paying one-third of the tax. I do not propose to release the other man in any way because the man who does not improve his land should pay. The man who does improve

his land will always have my sympathy. Another clause I shall seek to amend is Clause 11. I purpose to make the exemption in Subclause 2 apply to all city and town lands. The same principle is embodied in the income tax. The exemption in the income tax applies to everyone, and it is only right that it should apply in this instance. If we make it apply to everyone, as the Government intend to make it apply to make it easy on the man with only a few acres, we will not bring in the poverty line. By this I mean something like the position taken up in regard to charging the parents who could afford to pay for the education of their children in our schools and not charging those who could not afford to pay. If we amend this clause we will simplify the statute very much, and the poverty line, as I term it, will not be drawn. In Subclause 3 also I want to bring land outside municipalities on the same lines as the income tax so that the exemption will apply to everyone. That will also simplify matters, and very much the same remarks will apply as in connection with the preceding subclause. I trust to have the Colonial Secretary with me in regard to Subclause 4. He gave me his support once before in this matter. I want this to apply to all conditional purchase holders under the Land Act. I do not want to limit it, as it is, to a man who does not hold equitably more than a thousand acres. I want it to apply to the area a man is allowed to take up under the Land Act and the amending Land Act. We bind him to carry out certain improvements and forfeit the lease if he does not comply. Therefore it is only a question of degree. If one man says he will take up 900 acres and another 2,000 acres, the latter spends more money on his improvements, therefore it is a question after all of giving him the same opportunity as the man who holds a much smaller area. I am taking up the time of the House, but I feel that it is my duty to do so, because I have the interests of those people I represent to safeguard, and in opposing this tax I must take up some time. I consider that people who take up virgin land, say from the Midland Railway, should have exactly the same

concession as is given to people taking up land from the Crown. They are entitled to the same concession; and though the wording of my amendment may not be exactly legally correct, I purpose to amend this clause by adding a subclause. I purpose moving a new provision as Subclause 5, which will read:—

“All lands held under contract for conditional or outright purchase from any private owner or owners of subdivided virgin lands are exempted from assessment for taxation under this Act for the term of five years from the date of contract; but such exemption shall only apply to the holders who do not exceed in area the limit of selection as provided under Clause 23 of the Land Act Amendment Act 1906, and who have performed the conditions of improvement provided by the said Act.”

We are justified in giving these people that concession, and I trust the House will be with me in this matter. I have given the question a lot of thought as to how we can meet these people. The provision will make the conditions of improvement the same as those on Crown lands, and will limit the area to the same extent. We are practically safe in giving the concession. There is one other matter in connection with this Bill. I propose increasing the exemption on the income tax by £50. I think an exemption of £250 is small enough and when we come to that clause I intend to move that the exemption be increased by £50 from the present amount which is £200. Clause 18 deals with residences, and I propose to move to strike that out. It is a great shame to tax a man's residence. I would encourage a man to build a house for all he is worth. It is a shame to count a man's residence as part of his income. If he has gone to the expense of building his house and perhaps sacrificed himself to do so, let him have it. Do not tax all he possesses. I will go a farther stage in connection with this Bill in regard to the tax itself. I mean to support any member who will move that the income tax be reduced from 4d. to 3d. There is only one other provision I intend to fight against and that is the re-

trospective intention. I am not in favour of making the Bill date back to June or July. It is time enough to inflict the tax on people from the present date, and it is as easy to calculate half a year's income as it is to calculate one's yearly income. I think that is about all I have to say on the Bill. Have members thought of the list of taxes the new settlers will have to face if this Bill is passed? There is first the roads board tax, which is one of the heaviest in Australia to-day. It has been forced up wrongly, decidedly an abuse of power by the Minister for Works. He had no right to do so. The roads board tax is one of the heaviest in Australia.

*Hon. C. Sommers* : In what way was it forced up?

*Hon. C. A. PIESSE* : Because the Minister would not give the boards assistance unless they increased their local rating of lands. Then the settler has to pay a wheel tax which is no small item, but is a good big item on a farm, because a man must have his trap to go backwards and forwards, he must have his waggon and dray, and the tax is 5s. per wheel. Then there is the dog tax. He must have a dog to look after his sheep. Then we have on the top of these the land tax, and the income tax, and there is also the customs tax. And last of all we have a tax, that the Colonial Secretary will not call a tax, the railway freights tax. The Colonial Secretary the other day turned round to me and said, “You might just as well call it a tax because I have to pay my rents.” The cases are not similar, in my opinion. A ton of iron landed at Fremantle and taken to Wagin has to pay a freight of £4. That amount would bring it from England, take it back again, and bring it out again. The farmer is paying an excessive railway tax. It is heavier than all the taxes put together which people in the other States have to pay. Take the articles a man wants and consider what he pays for them, at a midway place like Wagin. Take that as the basis and it will show how the farmers are taxed through the railways. A farmer has to pay the same to-day that he did when I went to the Williams and opened there 27 years ago.



We then paid £4 a ton for goods carted by horse teams, and we pay that amount to-day on many things. If a man gets a smaller quantity of goods he has to pay more. The list of taxes a farmer has to pay is enough to drive him mad. There is one consolation, it is a gloomy one too. I sometimes have objected to the expenditure on the lunatic asylum; but it is comforting to know that after the Government have driven these settlers mad they will have a comfortable abode. Look at the thousands and thousands of acres into which the settler has put his muscle and his capital. Men put their muscle into the land and immediately afterwards they are taxed. Many a child will have to go barefooted if this tax is imposed. Look at the conditions. The settlers will have to keep books. Some of the settlers will never be able to keep an account of their incomes which they must do under the Bill, unless they employ clerical labour. That will be another expense. Although the settler may be able to grow a capital crop of wheat, he cannot keep books. There is going to grow up in the country districts a class of people who will be a sort of mistletoe—I will not call them bloodsuckers—but a kind of mistletoe, living on the farmers preparing their statements for the land and income tax. It is a shame on us to impose a tax on the land which has been taken up since 1900, considering we have such a small population and such a small area settled. I feel I am talking excitedly, but I know what the people have to pay and what they are able to pay. Personally I can pay the tax; it does not trouble me. But I know what it means to others. The settlers cannot pay it and the Government have no right to inflict it on them. I wish to show my opposition to the Bill. I do not fear the future. I do not fear the prospect of the Government going to the country. If the Government and the Opposition have views that are alike, but which are not in keeping with the people of the country, then let the members of the Assembly go to the country and have the matter settled. If they come back and say that it is the view of the people that there should be

land and income taxes then I will not object to them. I do not fear any so-called depression. My own opinion is that there is much good resulting from the period of depression at the present time; because with a period of depression a man becomes wiser; and the Government have an opportunity of becoming wiser now. The depression does not exist in the country. If Perth is getting too many empty houses I am sorry for it. But the country cannot help that. And this Land and Income Tax Bill will not fill the houses. But I know what will fill them. Let the people of Perth come together and build up their manufactories, and then they will find their houses will fill. We shall then find the farmers will be able to get their machinery cheaper. All this can be done here just the same as it has been done in other States. Let Perth do its duty in that way, then we shall have a flourishing country. I want to say this for the country people: they are doing their duty, not only the men and women but the boys and girls too. I trust when a man's income is taken into consideration the assistance that his girls and his wife give will be taken into consideration. The girls go into the fields and so does the farmer's wife, and I am going to move that an allowance be made for the wife as well as for the boys and the girls. We know what a large amount of assistance boys and girls are to a farmer. Lucky is the man who has his quiver full of them. In conclusion I say that there are two votes I am going to claim against the Bill. There is the vote of Mr. Moss; he cannot get away from it. No one who spoke as he spoke in opposition can get away from voting against the Bill. Another member is Mr. Throssell. I am sorry he is not here. He came here on a promise by the Government of a reduction in the railway freights, and he was to support them for all he was worth if they gave him a reduction of freights. Where is that promise to-day? It has gone. The hon. member is now justified in opposing this Bill; or if he is not justified in voting against the Government, he is justified in walking out. [Member: Perhaps the Minister will claim your vote.] No one

in the Chamber knows my opinions on the land tax question better than does the Minister, and he is not likely to claim my vote. I trust this Bill will be thrown out. Even if its defeat entails the resignation of the Government—though I trust it will not—an appeal to the country would give what is needed in this connection, the opinion of the people in regard to this Bill. The statement by Captain Laurie that opposition to this Bill was not justified in view of the absence of letters of protest in the newspapers was a remark uncalled for. If the hon. member has not seen letters and statements in the newspapers in opposition to the Bill, he cannot follow the public prints in the way a politician should. In regard to the constitutional aspect of the question, if we are not within our constitutional rights in dealing with Bills of this character we may as well close the doors of the Chamber and go back to the country, never to return. If we have not the power to throw out this Bill, what are we here for? I trust the House will do as it did last year, reject the measure. The country expects that of this House; and Captain Laurie's remark as to the absence of any general public protest is explained by the fact that the country is of the opinion that this House has too much sense to pass the Bill in its present form.

Hon. G. THROSSELL (East): While I shall endeavour to be brief in my remarks on the measure, I think it is due to myself that I should make some reference to the utterances of some members when the Land Tax Bill was before this House in September last. To do so in detail would take up too much time; therefore I shall content myself with referring to the remarks of Mr. Randell with respect to my attitude on this Bill. Mr. Randell is by no means impassioned in his utterances, but I gathered from his remarks during the debate in September that in the contest for the East Province I was put forward as the nominee of the Moore Government. I desire to protest against such a statement. I came forward entirely unsolicited, out of a deep-rooted affection for

this State and deeming it fitting that one settler should fill the vacancy caused by the passing of another old settler. And I can say that no one was more surprised than Mr. N. J. Moore himself when I informed him that it was my intention to support the land tax. Were Mr. Moore now present, I am certain he would endorse that statement. I thought I had put myself above the danger of suspicion in regard to this matter. Had I remained silent on the point prior to the election—and I might have done so had I desired—I should not have been put to the trouble and expense of contesting the election. But while I could risk that expense and trouble there was one thing I could not risk, the loss of my own self-respect by concealing my views on the question. Wise men amongst my friends counselled me to keep silent; they said, "Everyone knows you, and you will go in unopposed." But I could not do that. I confess I spent an anxious time merely because my voluntary action in declaring myself in favour of the land tax had placed me in antagonism with men whom I had known and battled with through life for forty years. I had but little time to explain my reasons to the people. Nomination day was a Saturday, the election was held on the next Monday week; and in between was the funeral of our late friend and member, Mr. Dempster; so that I could not move hand or foot towards contesting the election until after the funeral, which took place on the Wednesday. That evening I made my first address to the electors, and from then until the close of the contest I had an anxious time; but nothing I said or did during the election would I now care to withdraw. Wherever I went amongst the farmers I was well received, not because they liked a land tax, but after I had spoken they recognised the justice of it. Many men whom I had known for years took me by the hand, saying "We are sorry to vote against you, old friend, but we are bound to do so. But we honour you more than we ever did for the course you are taking in declining to go in concealing your opinions on this question until it is too late." I regret that Mr. Randell should infer that I have

done something radically wrong ; and I cannot understand such an inference coming from so unimpassioned a man. I can only say that were the election to be fought again to-morrow I should take exactly the same course and I believe I would again come through successfully. Because instead of my majority being only 17, as has been stated by some members of this House, I should in another contest get the votes cast in favour of the Labour candidate, who also was in favour of the land tax. I think it is due to me that Mr. Randell should accept these remarks in the kindest way. I am willing to let his inference pass. With regard to the remarks which fell from Mr. Piesse and the question of the repudiation of our sinking fund, obviously if we desired to escape from that compact we could not do so without reference to the bondholders. With regard to his pleading for the suffering of new settlers, I would point out that the old settlers too have suffered. We are told a lot about the hardships of new settlers ; but what about the hardships borne by old settlers in the days before the advent of railways, when it took two days to bring one's produce to a market? No one in this House knows better than myself the hardships of those days. There was then no Agricultural Bank to assist the settlers ; yet all those hardships were overcome, and the men who overcame them are taunted now with having secured the unearned increment. I am pleased to record that many properties are changing hands to-day at prices ranging from £5 to £10 per acre. [Interjections of dissent.] Only two weeks ago an estate changed hands for £12,000, equal to about £6 per acre ; and the pleasing part of this matter is that the bulk of these purchases are made by self-made farmers. With regard to the new settlement taking place, we have all made the mistake of supposing that disaster will follow the imposition of this taxation, that land settlement will go back ; yet I have here a few figures showing the settlement now proceeding, from which we may judge of the probable effect of this taxation, and these figures relate to the land settlement during the

four months ending October last. In July we find there were 230 applications, representing 38,436 acres ; in the following month the applications increased to 287 representing 51,680 acres ; in September the number of applications increased to 334, representing 67,251 ; and in October the number of applications reached 394, representing 93,137 acres. I am sure those figures must appeal to anyone regarding them impartially as showing that the imposition of this taxation is not likely to retard settlement ; and I am pleased to have this evidence in contradiction of the statement that settlement would fall off as a result of the proposal to impose a land tax. I see no reason for grumbling ; we shall still have good seasons and continue to prosper in the future ; then why should we not support this taxation? I congratulate Mr. Moss on his attitude on this question, for he laid this whole question briefly but clearly before us. He, as a strong opponent of this form of taxation, urges that we have a tremendous revenue and that economy should be practised ; yet he admits the Government are enforcing economy in every direction. But the Government recognise that the revenue is falling ; so far as I can see ahead it is likely to continue falling ; and in these circumstances, should we stand idle? Is that the way to meet the State's difficulties? I say we are justified in giving support to the Government. I ask, where are the great public meetings in Perth, on the goldfields, or even in the agricultural districts, in opposition to the land tax proposals? The answer is that they are conspicuous by their absence. Whenever one goes in the country and explains the whole circumstances fairly and justly, tells the people what has been done for them and what is going to be done for them, then, although they have no relish for the tax, although they will denounce it, still their sense of justice will come to the rescue. That is why I had a comparatively easy victory in my electorate ; and I am sure that if I had to go to the poll to-morrow, the majority would be even larger, because the people recognise that the taxation in the circumstances is just. During the past five years, this

and previous Governments have spent in agriculture alone £175,000 out of ordinary revenue, or £35,000 a year; while out of loan funds they have expended for the same purpose, agriculture pure and simple, £364,000, or £72,800 a year. Altogether we have been giving them £107,800 per annum, and that is exclusive of roads boards grants, special grants and roads and bridges. When you tell sensible country people this—and they are just as alive to their interest as anyone else—and point out to them that when they are asking for a railway 30 miles in length to cost £30,000, the sum of £1,500 a year interest has to be paid by the general taxpayers of the country, they know very well that they ought to bear a portion of the burden. They know how they benefit from these agricultural railways, and Mr. Piesse himself has benefited as much as anyone else; probably more than most people, owing to the action of the Government by opening up these areas with railways. In all probability the interest on the amount spent in running the agricultural railways through the various districts will be more than the amount of the tax derived from those who will benefit from the railways. Mr. Piesse is a large landowner in one of the most progressive districts in the State, and on this district a considerable amount of money has been spent in the way of railway construction. One might well ask, has Piesse made Wagin? Has Throssell made Northam? No, it is the Government of the day who have made Wagin; it is the Government who have made Northam; but it is Mr. Piesse and Mr. Throssell who have participated in the advantages derived from the action of the Government. If you doubt this, ask Mr. Piesse whether Wagin town lots have increased in value or not during the past few years. You may ask me, and I will tell you that I know of town lots which have changed hands for about £1,700, while in another case half a town lot was sold for £450. If you traverse the whole of the country districts where railways have been constructed you will find towns springing up; hotel licenses, I am sorry to say, granted; land magnified in value; this increased

value helping to build up men like Mr. Piesse. When we talk of the hardships to the farmer, let us be fair. What is the whole history of land transaction here? Do we sell the land? No, we absolutely give it away for 10s. an acre, and we are to be paid back in 20 years without interest. In addition, the farmer gets the agricultural bank assistance and other advantages, almost too numerous to mention. Where are these hardships? I am only speaking on the lines of justice and urge the tax in the great interests of the country. Is it a hardship to give back to the State in its weak necessity a portion of the unearned increment these public works have conferred on the people? I bear testimony to the pluck and enterprise of the old settlers, and I hope their example will be followed by the new settlers. But all are getting the benefit of the new railways, the benefit of the influx of people to the State. At the present time land has gone up to £6 and £10 an acre. I am not speaking without book, as I can give instances and plenty of them where these valuations are exceeded. No one will dare to say that he alone has made his land worth that sum. By his enterprise he might have increased the value of his property to £3 per acre; but if that be so there is £3 per acre of unearned increment. What do we ask in return? A small land tax of 1d., and in certain cases ½d. Mr. Piesse will get off with ½d., and we are really asking nothing but what is fair and just. The paper stated yesterday that there is a great rush for land, and that more men than usual are endeavouring to obtain suitable properties. All this shows that the threatened land and income tax is not going to kill land settlement at it was once thought it would. The speech which Mr. Moss delivered has made the whole question clear. We all unite in denouncing the taxation and if we can get out of it will be very glad to do so; but it has been made perfectly clear by that hon. gentleman that it is an absolute necessity that the tax should be levied. In giving up his views of the last few years, and in taking a patriotic stand, Mr. Moss has set us a good ex-

ample. Mr. Piesse claimed my vote ; but on the other hand I say that I claim his. Like himself, I have changed my views, but I have changed them to the right side while he has changed his to the wrong. The difference between us is this : I appeal to the old and to the new to support my honest convictions, and I am prepared to take a beating on the issue ; but all he has done has been to play to the new settlers. We are giving to the new settlers more than we took from them. We give them fruitful lands and innumerable advantages and great assistance, and neither we nor they need fear the result. I have taken the trouble to ascertain the amount of land with a good rainfall which is still available, and I find we have 50 million acres of land still available and with not less than a 10 inch rainfall. Surely such figures as these should go, not only through this State, but also through the Eastern States ; as such information given over there will show the people what they can obtain here in the way of suitable land with a good rainfall and might well attract farther population to our shores. Why I support the Moore Government is because their policy would be my policy, if I were in their place. The only policy to help the place along is to carry railways through these agricultural areas, to open up our mineral belts, to make it possible for a large population to come to our shores both from the Eastern States and from the old country. It is only by doing this that an immigration scheme can be entered into. Years ago I said that if the British Government would offer to land on our shores 1,000 selected immigrants, possibly in two months' time our Government would have to cable back "Hold your hand, we do not know what to do with them" ; not that there was not the space for them, but because they were men without capital whom the State could not absorb. This remark applies to all other parts of Australia. Now, on the other hand, with this policy of the Moore Government, by the construction of railways at a cheaper rate, even less than it would cost for the macadamising of roads, with the opening up of 60,000,-

000 acres of land, we can go out to the world and invite the people to come in. Notwithstanding this land and income tax our land settlement conditions are still the most liberal in the world. If we can settle these lands our history will be that of Canada and other large agricultural countries. Towns will spring up, manufactories will follow, values will increase, and general prosperity will take the place of the depression we all bear so much of. I have said enough to show I am heartily in support of this measure, not because I love it, but because I recognise its justice ; I recognise that the state of our revenue necessitates it. This policy is returning to the country districts far and away more than they give, and I believe all sensible people in the country are with us, and that if the reasons are explained we will find a huge majority of the people saying "Give us a land tax ; give us an income tax." After all the land and income tax will amount to very little when against them are placed the advantages to be derived from the public works policy of the Moore Government. I would have preferred to see two separate Bills—one for the land tax pure and simple and another for the income tax—because I foresee that a great deal of trouble will spring up in the Bill before the House. It will be answerable I am sure for an immense amount of blasphemy among the farmers, notwithstanding that it is not going to ruin them. I have very much pleasure in supporting the second reading. I desire to say I am heartily in accord with the amendment suggested by Mr. Piesse, which I had on my own lips, and which is that exemption shall be extended to everyone who selects virgin soil. One of the objects of the proposal is to meet the case of settlers on the Midland lines. It has been objected that this will help the Midland company ; but we know the history of the company and realise that so soon as a settler purchases land from the company he ceases to belong to that company, but becomes a Western Australian settler pure and simple. Therefore, we should not hesitate to extend exemption to him. Farther than that, whenever a man buys unimproved land this exemption should

be extended if he so desires. That is a small thing in itself, but it will do away with many objections which have been urged to the effect that we induce men to go on the land and then immediately tax them. I do not fear a tax. I am full of hope for the future, always be it remembered, however, that this policy of the Moore Government is carried out in its entirety. If we were to cease our public works expenditure on agricultural railways Western Australia would, I think, be a good place to run away from, but with this policy of the Moore Government, if honestly carried out and honestly supported—criticise it as much as you will—we have no need to fear for the future of Western Australia.

Hon. W. MALEY (South-East): The hon. member who has just sat down has made a somewhat academic speech. I should have expected something more practical from him, after the long experience he has had in Parliament and in Ministries. We are informed by the hon. member that Wagin and Northam have developed; that their agricultural lands have wonderfully increased in value. Altogether, we have had a glowing picture of what the State has done to make these places, and of how individuals have benefited by the liberality of the Government in creating these towns. But all members have not been Ministers; all members have not had the same influence as the hon. member. Mr. Piesse has been in a Ministry, but he resigned, and had not the opportunity, even if he wished, of using his influence to get the Coolgardie Water Scheme pipe-line taken past his own door—a scheme that cost millions and which greatly increased the value of the land which it served. The last speaker (Hon. G. Throssell) supported that legislation. From start to finish he has supported the borrow-and-spend-policy, and that is what is ruining this country at the present moment. Here we have a continuation of the same policy. How dare we go to the London market in its present state, to borrow money for all the works we have already undertaken to carry out? We shall have trouble to get money now. Mr. Piesse has touched the keystone of the position when he

points out what the Government ought to have done when they came into power. They should have taken away the power given to the money-lender, the debenture-holder, to extract from our pockets the sinking-fund contributions. As I suggested to the Colonial Secretary at the outset of these taxation proposals, a few of us in the city could have guaranteed the few thousands of pounds necessary to go on with. There are men in the city who would have put their names to paper for the £70,000 needed to carry on the State for another twelve months. The next step would have been to issue redemption bonds to take up those bonds containing this penalising clause in relation to the sinking fund. The money was obtainable. There would have been no difficulty in redeeming these particular bonds. Even if at a small sacrifice they would have been redeemed; and we should have had the £200,000 a year coming into our pockets; and there would have been no need for the land tax. Legislation up to date is as rotten as it can be. Twenty-five years ago in South Australia similar taxation was proposed, and I said South Australia was a good country to get out of. And I say to-day we shall have no prosperity in Perth for the next five years, with this land and income tax burdening the people. I base that statement on my experience, and I am satisfied in so doing, for what else have I to guide me? What have the Government done in the way of finance? We have the spectacle of a caucus, without the authority of Parliament, voting to one of their number a sum of money not authorised by Parliament—an action for which any other body of men would have been punished. There is only one name for such an action, a name I will not mention here. Let us see what the Government have done at Ravensthorpe. I have had a glance at the balance-sheet of the company operating there. At Ravensthorpe the Government have smelting works which I and many others fought hard to get erected. I was somewhat interested in the locality. False returns from Ravensthorpe were published in the *Government Gazette*. I drew the attention of the Minister and the

Government Statist to this fact. We investors had put our money in, and our money disappeared. I will not detail what has happened since, but I will say that a Government smelter was established there at a cost of some £18,000. What did the Government do? They sold that smelter to a prospective company, to a gentleman who was visiting this country; he may have been an adventurer for aught I know; I know nothing about him. He was visiting the State, and was here to make money. The Government had in that smelter an asset worth many thousands a year. A dump of slag realised £8,460; the profits of treating and smelting for the year were £56,815. Adding to that the value of the smelter, £18,000, we have a total of £83,273. Yet the Government were not game to hold the smelter, but gave it away, with a dump of slag worth £8,460, for £5,000. But the Government were game enough to build a railway; why? To assist the people to whom they gave this large asset, this valuable going concern, this smelter and its attendant perquisites. Need I add anything to what I have said? Do the Government want anything farther? I need hardly refer to what they have done in putting on impossible wharfage rates. I need not refer to the manner in which they are compelling selectors to pay not half the survey fees but the whole of the survey fees and sometimes more. I need not refer to what is now troubling the farmer—the enormous freights on grain and chaff compared with those of New South Wales. The grain rate here is 10s. 11d. per ton for 120 miles, while in New South Wales it is 6s. 4d. per ton. The farmer has 3s. 7d. a ton, and a ton often represents the product of one and a-half acres—roughly 4s. for every acre. The member who has just sat down spoke of 6d. an acre. One had better be in New South Wales and pay 4s. an acre interest on improved property, which would be five per cent. on £8 an acre; and one would be money in pocket. The hon. member (Mr. Throssell) is deaf; but when he reads my speech he is financier enough to know that I am right. To-day I took the

trouble to call at the Railway Department, and had some little difficulty in getting the figures, which apparently are not yet available in book form to the public, though they may be later on. We know what was done in the matter of reducing the timber freights. The Government have certainly reduced the grain rates from 12s. 7d. per 120 miles to 10s. 11d.—a very slight reduction. In view of all these facts, where is the prosperity of the State to come in? To-day I saw the correspondence with regard to a loan accepted from the Eastern States. Yesterday a message came through to the effect that income tax would have to be provided for and paid by the borrower. The Government are shutting money out of the State. We cannot construct public works without money, which is wanted for all sorts of enterprises, and we cannot do without people. The Government are doing their best to block the settlement of this country, to destroy the confidence of the people. I predicted that, and they have done it. I refer to my speech delivered in September last; and members who require farther information on the subject will find it in that dry book *Hansard*, which contains my views concerning it. I believe members' minds are made up, and I will therefore finish, to give some other member a chance to speak before the tea adjournment. I beg leave to move an amendment—

*That the word "now" be struck out, and "this day six months" be added.*

Hon. J. W. WRIGHT: I second the amendment.

Hon. G. BELLINGHAM (South): The first thing that strikes me is whether the Government have any justification for farther taxation; and I ask whether they have used every endeavour to curtail expenditure and increase revenue. We have on the Notice Paper, just below these land and income tax measures, a message from another place to the effect that the Government anticipate expending no less a sum than £300,000 on a dock at Fremantle. In existing circumstances—the shortness of revenue and the pessi-

mistic view of the State taken by the Government—I say the expenditure of this £300,000 is totally unwarranted. The dock at Fremantle can only be a luxury; it must prove a tremendous white elephant.

The PRESIDENT: Is the hon. member speaking to the motion? How does he connect his remarks with a Land and Income Tax Assessment Bill?

Hon. G. BELLINGHAM: I am talking about the justification for farther taxation. Not only that, but some little time ago we saw that the Government promised £35,000 as a loan for the establishment of freezing works in the North-West of the State; that sum to be expended amongst a very prosperous section of the community, to foster the pastoral industry. To my mind this scheme also is not justified. The money would be spent to far greater advantage in fostering the butter industry in the southern portion of the State.

Hon. M. L. Moss: It is not being given; it is only being lent on sufficient security and at a fair interest.

Hon. G. BELLINGHAM: I say it is a loan, and that a loan to establish butter factories would be much more justifiable than a loan to the rich pastoralists of the North-West. I understand we are now sending away a thousand pounds a day for butter imported to this State—over £300,000 a year; and that butter should all be grown in the State and none of it imported. We should at the present time be exporting instead of importing. We have begun to send away frozen lambs to the old country. We are sending away wheat and also chaff to the other States. We have turned the corner; we are entering on a period of prosperity. It is anticipated the present harvest will result in circulating a million pounds amongst our farmers—a matter of great importance to the future prosperity of Western Australia.

At 6.15, the President left the Chair.  
At 7.30, Chair resumed.

Hon. G. BELLINGHAM (continuing):  
With regard to the deficit approximating

£230,000, I do not regard it as a serious matter. We are not verging on a state of insolvency, or anything like that, because we have this light deficit. We have a sinking fund of a million and a quarter invested judiciously in London for the purpose of taking up our loans when they mature. But having to provide this sinking fund is a great burden on such a small community as we have in this State. It is too heavy to bear and we are fostering posterity too much to our own detriment by carrying it. The sinking fund is good in principle and I would not be one in favour of doing away with it, but the percentage should be reduced considerably so that we would not be handicapped so heavily as we are. I consider that a fair amount of revenue could be produced by an increased totalisator tax, and by compelling the race clubs to have the totalisator only, and to do away with bookmakers. This matter has been before the House. Mr. Moss spoke strongly in regard to it. A large amount of revenue could be obtained from the totalisator tax. The Government, members of Parliament, and the police are all parties to an illegal act by allowing the Western Australian Turf Club to charge bookmakers large sums for the privilege of betting on the races—courses and by that means making themselves parties to an illegal act. We are not doing our duty in this House by allowing the Government to permit the Western Australian Turf Club to charge these iniquitous fees to the bookmakers for the privilege of betting and breaking the statute. I think a certain amount of revenue could be obtained by an amusement tax. We have had experience of theatrical and other companies coming here and taking away large sums, not only from Perth and Fremantle, but also from the goldfields. They spend little in the State but they take away hard-earned cash, and I suggest there should be a tax on every theatre ticket or amusement ticket sold, that is to compel the people who run these shows to put on every ticket a penny stamp for every shilling in value; that would be a 5d. stamp on a 5s. ticket. It would be the means of raising a considerable amount



with very small expenditure ; because it would be self-collecting by compelling the people to put on the stamp, whereas the collection of this land and income tax means the establishment of a fresh department with all its expenses. I understand that when this tax was first brought in in New Zealand the cost of collection for the first year was 40 per cent. The probabilities are that if this Bill passes the cost of collection will be a considerable amount. There is another serious matter in regard to this Bill. If we pass these measures the machinery Bill will be on the statute book for all time ; and although the Government have been having a hard fight in trying to get this Bill passed, should it be passed this fight will be nothing compared to the fight that would be necessary to remove it from the statute-book.

*The Colonial Secretary :* The tax has to be re-enacted every year.

Hon. G. BELLINGHAM: But we have the machinery Act in existence all the time. The experience of the other States is that once an income tax has been established it has never been removed. No doubt the amount of the taxation comes up every year, but we will have the machinery Act there, and while we have it on the statute-book we will always have the tax. With regard to the appeal to the country, if this Bill does not pass this House it would be useless for the Government to dissolve Parliament, because an appeal to the country would not have the slightest effect. The Legislative Assembly must come back in favour of a land tax — [*Hon. M. L. Moss :* Not necessarily.] — because the Government supporters are in favour of the tax and the Labour Party are in favour of the tax ; and if there is a three-cornered duel by putting up a land taxer, it will put the Labour Party into power ; there is no doubt about it. Another matter I would like to touch upon is that of immigration. We are spending a lot of money on this and I heard that only last week of five men who came out on the “Oroya” arriving on Wednesday, three of them booked their passages to the other States on Saturday. To bring out an immigrant costs £12. The immigrant

pays £5 and the State supplements that by another £7. Consequently it means a cost of £7 to the country if an immigrant catches the next boat and goes away to the East. However, I understand this matter is being attended to, and that it is being fixed up by way of reciprocating with the other States. I am not pledged to support this Bill ; I am not pledged to oppose it. I look upon it as being one of the most serious Bills that has ever been brought before the Legislature of Western Australia. We are a small community and are at the present moment taxed very highly. We have turned the corner, as I have said before ; and we have a prosperous future before us, though a great many people condemn the State they are living in by being too pessimistic. What we want to be is optimistic ; we want to encourage ourselves and to speak well of the country in which we live. As I say, it is a serious crisis this introduction of the land and income tax, and it is a question whether there is justification for it. If we could struggle on without having to draw on the community with this tax it would be a great deal better for the State. Should the tax be passed, I am totally opposed to its being made retrospective. According to the machinery Bill it is provided that it shall come into force from the 30th June last. I would favour its coming into force on the 30th June next so as to give us six months to get used to it and to look forward to it. I certainly would be opposed to making it retrospective.

*Hon. M. L. Moss :* How would you get used to it if it is not in force ?

Hon. G. BELLINGHAM: We would get used to the name of it. The name of the Bill is a good deal worse than the Bill itself. I am prepared to support the second reading and allow the Bill to go into Committee ; but to my mind there are a number of amendments that want serious consideration.

Hon. S. J. HAYNES (South-East): The land tax portion of this Bill has been before this Chamber on two occasions previously, and on those two occasions I opposed the tax. As time goes on I am more strongly of the view that

I took then, namely that there was no necessity for increased taxation, especially taxation of this nature. However the Government in their wisdom have thought fit to bring in this session a dual tax to tax land and incomes. So far as the tax in itself is concerned, if in my opinion it were required, it is in a more equitable form than previously; because on the two previous occasions it was to a large extent class taxation. Now it is more general and I think more equitable; though while saying that I think there are inequities in the details. I think it was last session the question cropped up as to whether this Chamber had dealt with the Bill in a constitutional manner, and the leader of this House recently quoted from the Commonwealth Law Reports the case of *Baxter versus* the Commissioner of Taxes, to show that practically we had acted unconstitutionally. I think that if the Colonial Secretary had consulted with the Law Officers of the Crown, he would have been told distinctly that this case did not apply. So far as that case was concerned the matter in dispute was an Appropriation Bill pure and simple. The Colonial Secretary quoted from the Commonwealth Law Reports the case of *Baxter* and the Commissioner of Taxation, and in that case the Chief Justice of the Commonwealth, Sir Samuel Griffiths, referred to the constitutional difficulty in Queensland in 1895; and in that case the trouble was in reference to an Appropriation Bill, the Legislative Council in their wisdom having amended it by striking out an item. The Bill submitted to the House last session was not an appropriation measure, it was a Bill containing a new principle of land taxation which had never been before the country before, and we were justified in dealing with it. So far as the Queensland Constitution is concerned it is very different from our Constitution in many respects, and therefore it was not a fair basis from which to argue. In addition to that there is this to be said in favour of this Chamber, that this body since 1894 has been an elective body, whereas in Queensland the Legislative Council is a nominee body. This session Mr. Pennefather referred

to the action of this Chamber and the Constitutional aspect of the matter, and I think the member's statement was absolutely correct. In all these Constitutional matters the most ignorant, on constitutional law are those who give the most cocksure opinions. As far as Constitutional law is concerned there are very few authorities in Australia, and none in Western Australia—high authorities on Constitutional law. Therefore men who are ignorant, or admit that they have not had experience or read Constitutional law, give opinions that the best men have doubts upon. The grounds on which I opposed the Land Tax Bill in the past and on which I now oppose the Land and Income Tax Bill are threefold. The tax is not required, we can do without it; to pass the tax, particularly the land tax, is suicidal for a State like this, and I say undoubtedly public opinion is against increased taxation. I think the general public are pretty well satisfied with the burdens they are bearing at the present time. As regards the taxation not being required, I have listened attentively to the able speech made by the Leader of the House, and the speakers who have followed him. So far as the speakers who have followed him are concerned hardly one is an out and out supporter of the Bill. Mr. Moss spoke very forcibly against this extra taxation; but if there ever was a speech made in the House that should justify the person who delivered it in voting against the Bill, it was that speech. Mr. Throssell said that Mr. Moss had said that he did not like extra taxation, but would bow to the inevitable. Mr. Moss did not say anything of the sort. Throughout his speech he said there was no necessity for the extra taxation, but that if this Bill was not passed it would mean a dissolution, and if the Assembly went to the country the country would return practically a strong House pledged to a land tax. That is the view I think the hon. member took of the position. So far as that aspect is concerned the hon. member may be right, but it is purely surmise. There is nothing to show, so far as I can see, why other persons should not spring up who will say that the business of the

country can be carried on without this extra taxation.

*Hon. M. L. Moss :* There is no third party in view who are going to do that.

*Hon. S. J. HAYNES :* No one can say what will result from a dissolution, and I am perfectly satisfied that 90 per cent. of the people of the State are dead against a land and income tax. Possibly if the position is placed before the country a party may arise who are prepared to go in for economy in administration. The hon. member said that in the Railway Department alone a saving had been effected to the extent of £170,000, and according to certain other authorities there is room for much more economy still in that large and expensive department.

*Hon. G. Randell :* That is not the Labour Party.

*Hon. S. J. HAYNES :* Possibly not ; they are only one portion. I think whilst farther economy can be effected there, in other departments of the civil service there is room for a great deal of economy. It has been said so far as the other departments of the public service are concerned the Public Service Act stands in the way. That Act may stand in the way to a certain extent, that is, in regard to the civil servants on the civil list, but if the Public Service Act stands in the way by all means wipe out the Public Service Act. I am told on good authority that the major portion of those employed in the Government service are on the pro. and tem. list, and can be dealt with by a Minister of the day. I was told previously that the Government could not tackle the civil servants outside the Railway Department because of the Public Service Act, but I am now told on the highest authority such is not the case ; although the Act is in the way in regard to those on the civil list, the majority outside that list can be dealt with very effectively. In pointing out how money can be saved I am the last one who would deal cruelly or drastically with the civil servants. I have known and seen how unfortunately the civil servants have been dealt with in another State—I refer to Black Thursday in Victoria. I hope such a state of things may never come about

here. I say economy can take place gradually so that as little hardship as possible will be brought about amongst a body of men who are generally respected. I hope it will never come about that the civil servants will be dealt with in the cruel manner they were dealt with in Victoria. I myself know and saw the serious trouble and the hardship and suffering caused to women and children, and to men as well, by the way in which the Government were compelled to deal with the civil servants when Victoria was going in for a very expensive service as we are doing here. It is better to attack the service gradually, and that can be done gradually. Attention has been drawn to the fact that if we have a land tax it will be a deterrent to land settlement ; I think it will. I think it is a breach of faith to impose a land tax seeing how we have advertised ourselves at home. We have advertised at home in a printed pamphlet that people can come out here, obtain land, and there is no land tax. Attention has been drawn to the fact that notwithstanding the statement that the tax would be a deterrent to land settlement, that the returns for the past few months show that there has been an increase in land settlement, but I do not think that is a very great argument that it is not a deterrent. If we had no land tax proposed a number of settlers may have come to the State in addition to those who have come ; and notwithstanding the land tax land settlement may go on, for we have good land and our terms are liberal, while in the Eastern States there are great restrictions. People come here because they cannot get land elsewhere, therefore land settlement will go on, but it is a cruel thing to heap on taxation at a time when we are suffering from a plethora of land rather than a plethora of people. Mr. Throssell has pointed out that the country requires this tax, and that the people have been converted to it. This tax will press hardly enough on the country, but it will press with alarmingly greater force in the larger centres. Take the city of Perth. Are not the municipal and other burdens quite sufficient for the people to bear ? Is there a rush to pay the

municipal taxes ? As a matter of fact, in Perth, and in the suburbs, are there not large arrears of taxes, and on the top of these if we place a land tax, land values will come down and there will be a serious depression for some time. I think the pressure of the land tax will not be particularly heavy. It will be heavy enough in the country, but the pressure of the tax will be felt in the larger centres. In Perth and Fremantle and other places it will be more severely felt than in the country. As regards public opinion on the subject, Mr. Throssell asserted that few if any public meetings have been held in the country in opposition to this measure. If my memory serves me aright, the hon. gentleman himself was, only a few months ago, to the fore at many meetings condemning this very tax. We know of meetings having been held in many centres in the country districts, but at none of these were resolutions carried in favour of the tax. We do know, however, of two recent elections which may be termed test elections, the one for the East Province and the other for West Perth—one for the Upper House and one for the Lower House. And in those two instances the people spoke strongly in favour of no land tax. It has been argued that the verdict of the East Province election was in favour of the land tax ; but after reading the history of that election I have come to the conclusion that the contest showed the people to be decidedly antagonistic to a land tax. And these are my reasons for that conclusion. In that election on one side was a gentleman who had held Ministerial rank, had been a Premier of this State and a member of Parliament for many years ; on the other side was a man unknown to politics and unknown to a majority of the electors except by name. The time between nomination and election was very short ; and the result was a majority for the veteran parliamentarian of 17 votes. If that be not a great moral victory over the proposal for land taxation, I know not what it may be regarded as. Again, we know that Mr. Throssell was considered by many to be a strong opponent of this measure, and we find that he was slighted

and suffered a good deal on account of his changed attitude ; that he recognised that unless the land tax was supported his success in the election was doubtful. Hence we saw the strong men of the Ministry canvassing up and down the district in motor cars. I do not think that a proper thing ; and it serves to show that the Government considered their case weak in the country. We find it was considered advisable for two (I think there were three) Ministers of the Crown to be in that district. [*Hon. C. Sommers*: And promises of railways.] There were certain promises made ; and I also regard it as objectionable, not only in the present Government, but in any Government, that they should thus interfere in elections, because a Government is in the position to make promises which carry weight. I do not say that was the case in this instance. But the fact that it was considered necessary for three Ministers to canvass the electorate shows that they recognised the position of their candidate to be weak. But notwithstanding the strong support accorded by three Ministers—[*Member* : And the Press.]—and the Press, victory was won only with a small majority by Mr. Throssell, the veteran in politics, and that in a district in which it would have been absolute bare-faced ingratitude on the part of the people had they not worked and voted for him, for no man has done more for his district than has the hon. gentleman—and for that he is deserving of praise. Many votes were given to him out of gratitude for past services to Northam and district, and it is due to that he is now in this House though only by a majority of 17 votes. [*Member* : Do you not think he is on the right track now ?] I do not ; I am opposing this Bill. Next we come to the West Perth election—we have traced the history of a country election, now we will take a contest in the city. In the West Perth election there were two candidates, both ex-councillors of the City of Perth, neither of whom had previously been in politics. What do we find ? Ministers again coming to the support of the Government candidate, Mr. Simpson. [*Member* : And preaching at street corners.]

I do not mind the preaching. Look at the result—Mr. Draper, the anti-taxer, secured an overwhelming majority! Those are the only two occasions on which this issue, land taxation, has been placed before the people, and I say they provide strong evidence that public opinion is against this form of taxation. We are also told that the deficit must be provided against, but in some of the Eastern States there are deficits at the present time. In New South Wales they have a deficit of, I think, £1,800,000; in Victoria of £1,400,000; and in Queensland of £1,100,000; while our deficit is but £227,000. Rather than impose this extra taxation it would be preferable to allow the deficit to remain; but if the Government desire to square the ledger in the matter of this £227,000, I think there is a simpler method which might be adopted for the time being, by a gradual system of economy, to wipe off the amount of the deficit. If money be at once required surely a sum of £227,000 could be raised by Treasury Bills at short dates. With the money thus raised in hand, the Government might then enter upon a system of gradual economy. Undoubtedly that would put things straight and enable them to carry on the business of the country. I will guarantee that if tenders were called to-morrow for £227,000 at 4 per cent. (a higher rate than we pay in respect of present indebtedness) the amount would be oversubscribed three or fourfold. [*Hon. J. W. Hackett*: You will guarantee that?] I cannot guarantee it; but I would gladly take some of the Bills with money now under my control. It would be a better proposition for the State to float Treasury bills at 5, or even 6, per cent. than to go in for new taxation of this character. If a quarter of a million pounds' worth of Treasury Bills were put on the market to-morrow they would be taken up within 48 hours. Western Australia's greatest curse at the present time is the excessive cost of administration; yet what do the Government propose? To aggravate that position by the creation of two additional expensive departments, for the imposition of this taxation must mean the appointment of additional officers to the service.

There will probably be a chief land tax officer, with subordinates, and a chief income tax officer also having subordinate officers. And what is anticipated to be derived as a result?—£80,000. [*Member*: Less the cost of collection.] And what will that cost be?—at least £15,000 or £10,000. Here is a proposal to impose additional taxation, the very thing which the Government declared from time to time they would not do; but while they threaten to take the proper course of reducing the cost of administration they on the other hand are increasing that cost by the creation of new departments. Farther the cost of initiating this new taxation will be great, probably amounting to £16,000 or £20,000; so that the net result for the first year, on the estimated revenue from this taxation, would be about £60,000. It would be far better for the country to raise £60,000 by Treasury bonds even though it be necessary to pay what may be regarded as usurious rates. Which alternative would the ordinary business man adopt if faced by a similar position; would he prefer to issue 5 per cent. debentures and thus raise the necessary money, or would he propose an increase in the cost of the weak spot of his business knowing that he must lose £20,000 by so doing? Undoubtedly he would adopt the first alternative. In addition to those economies I have shown to be possible, the members of this House, almost without exception, have from time to time drawn attention to the excessive cost of administration. Another proposition suggested towards reducing that cost is by the withdrawal of the subsidies to road boards and municipalities. I do not go so far as that. The Government have made profession of economising in that direction, though in practice they have not done so, for though the amount placed on the Estimates for this purpose for the year ended June 30th last was less by £68,000 than the vote of the previous year the expenditure totalled £98,000. I do not favour the sudden cessation of subsidies, the local authorities having become accustomed to receive this assistance from the Government, it would be unfair to at once discontinue them; but the subsidies

should be gradually reduced. Doubtless road boards in isolated parts of the State deserve exceptional treatment, as do new boards; but many old-fashioned boards have in the past obtained unduly large sums from the public purse. Attention has been forcibly drawn by Mr. Patrick to another State venture, the Coolgardie Water Scheme, the annual loss on which amounts to a considerable sum. In my opinion the administration of that scheme should be such as to ensure that it fulfil the promise made on the introduction of the Bill to authorise its construction, namely that if the Bill were placed on the statute-book there would be no loss in working, that the goldfields would pay for the boon; it being farther asserted that the sinking fund provision was inserted because the lives of goldfields were known to be limited. In the circumstances, considering the immense advantages derived by the people of the goldfields from this scheme, the price of water to consumers on the goldfields might be increased. Nothing would be gained by selling an increased quantity of water at a reduced rate, because, as has been pointed out, there is on present charges a loss of 3d. per thousand gallons sold. Hence, the only sensible method of tackling this important matter is by increasing the charges, thus reducing the present loss of £80,000 or £90,000 per annum. I listened with great interest to the arguments in favour of adding to the water supply in the city, and it seems to me that a great quantity of the water that now runs to waste could be availed of by the city consumers. Surely if so, arrangements could be made whereby at a reasonable expenditure an efficient water supply to last for some fifteen or twenty years could be obtained from Mundaring in conjunction with the present scheme. [*Hon. J. W. Hackett*: What would be the expenditure on it?] It would be very light as compared with the Canning scheme. I cannot say what the exact cost would be, but it stands to reason that, by slightly increasing the height of the dam, a small expense would be incurred as against the cost of a scheme like that at the Canning. If the supply would be sufficient and £250,000 or so

could be saved, surely that would be a means of minimising the loss on the goldfields scheme. I followed the arguments of those who have spoken on this question closely, and I came to the conclusion that an expenditure at Mundaring would be much less than the one at the Canning. I think I have put my views very fairly before members and there is no necessity for me to speak any longer, especially as most members have made up their minds as to how they intend to vote on this question. In addition to that there is the fact that the land tax, although it has not been before the country, has been before this House for the past fourteen months. It has been said that there has been no outcry against the tax, but one piece of clear evidence was provided that the country was against the tax. I have referred to that already; but, in connection with the view taken up by the country generally, there is no doubt in subjects of this sort people are altogether too apathetic. I am very surprised that there has not been a greater outcry in the larger centres, but when the community gets the pressure of the tax, that apathy will cease and the result may be good; for when the people have to hand out the golden sovereigns in direct taxation they will be more careful about the men they send to Parliament. I trust that the Bill will be thrown out, and I shall support Mr. Maley's amendment with that end in view. I have thought the matter out very seriously. It has been suggested that if this tax is not carried the present Government will resign or apply for a dissolution. I would be very sorry if the Government at the present juncture had a dissolution, for some of the component parts of that Government I have the highest respect for; but at the same time if they decide to go the country, well, that is a matter that rests with them. It is not for this House to bother their minds as to what men are in power, for we are here to deal with measures, not men. I do not know even if a dissolution did take place whether the country would be put to much inconvenience, for another Chamberlain's existence next year, and even with a dissolution I do not suppose that

House would meet again until July, by which time the new Ministry would have been given a chance to prepare a programme.

*Hon. J. W. Hackett* : They must meet a short time after the elections, according to the Constitution Act.

*Hon. S. J. HAYNES* : Although that may be so there is no doubt the majority which would be behind a Ministry would give the Government ample time to prepare their programme. I do not think we have any right to think that, even if there were a dissolution, a very strong party would be returned in favour of this tax. We cannot tell what the future may disclose, for if candidates for political honours go before the country, tell the people the truth about the land and income tax and point out to them where economies might be effected without taxation, a party might be sent to power which would be prepared to carry on the business of the country without extra taxation, and who, although ready to carry out many of our great public works, would set their faces against the expenditure of money in unprofitable, unnecessary or extravagant works. Ever since Western Australia obtained responsible government, the policy of the Governments of the day, without exception, has been one of borrowing and spending. At the commencement of responsible government and when the goldfields broke out, there was a good deal of justification for the expenditure of money, but since then the state of affairs had changed, and Ministries should have been able to profit by the experience of their predecessors. At the present juncture we want someone in power who is prepared to seek some other mode of putting the finances straight, and in a state of efficiency, than by extra taxation. Our present income is a very big one for a small population, for we get £3,313,000 from 262,000 people, and without this tax. Surely allowing an ample provision for public works and progress we should make ends meet within that limit. I am against the policy of spending large sums of money in so-called development. No doubt development is necessary, but it seems to me that the legitimate and most

satisfactory way of conducting the business of the State is to hasten slowly, to see how some of our present ventures turn out, and await the time when the population has increased before considering farther ventures. We know very well that in business there is a point of development, and directly you try to push beyond that point you make bad debts. As soon as the Government goes beyond that line they make a loss. Although speaking the way I have been, I have every faith in the State. I think it is practically the wealthiest of the States, and that it has a grand prospect before it. In opposing increased taxation I do so thinking the resources of the State are such that the country can very well do without it. All must recognise what wealth we have in the State ; what a great country there is here, and that, in addition, we have at the present time one of the best seasons experienced for some years past. Surely with faith in a State, with the great wealth we possess, with the comparatively small indebtedness we have, and with a splendid season before us, there is no necessity for increased taxation. Let each Minister carry out what he has pledged himself to do, and that is to effect economy in administration. I trust the amendment will be carried, and if it is we will be acting perfectly constitutionally, notwithstanding the opinion of some persons. I am satisfied that our action would be endorsed by the majority of the people in the State. If the Bill is thrown out by this House we shall be acting on behalf of the true welfare of a State which we know has a great future before it.

*Hon. C. SOMMERS (Metropolitan)* : I am not in favour of either of these taxes for the simple reason that I think that, with reasonable economy, there is no necessity for them. The policy of the present Government seems to be to spend and to tax regardless of the money they have to spend and the varying capacity of the people to pay the tax. To raise the paltry sum of £80,000 is hardly worth the trouble and worry and loss that is going to be inflicted on a State, to say nothing of the cost of collecting the tax. It

is very bad legislation indeed. [*Hon. J. T. Glower* : It is a double tax.] It is a double tax. If a tax were necessary at all, I would not for a moment impose the land tax; and to impose a land tax to raise £40,000 will, I think, do incalculable harm. We have a growing State; we are holding out inducements to people to settle amongst us; and the first thing the Government do is to endeavour to impose a land tax. I maintain that the present Parliament have no right to impose that tax. The proposal has never been before the country; it was not made at the last general election; and the present Government were returned to power on the issue of economies in administration. The land tax was never before the country; and even if the rejection of this Bill brought about a dissolution—and I hope the Bill will be thrown out to-night—I think a dissolution would be the best thing possible, though I for one should not advise the Government to seek a dissolution if the Bill were thrown out, for in October next Parliament will die by effluxion of time. That will be the proper time for putting the question before the country. As has been suggested to-night, if the Ministry think they want more money to carry on, by all means float a temporary loan, even if, as Mr. Haynes says, they have to pay an increased rate. I do not think they will have to pay more than the ordinary rate for the accommodation. I think if we called for a loan of a quarter of a million, it would be subscribed three or four times over. I for one should be glad to see the Bill go to the country, not perhaps at this stage, but a little later on. I am fully confident that when an opportunity is given to the people to vote on this great question, they will realise what it means to the country, and that new men must arise willing to grapple with the problem of administration, for that is the only problem; and they will sweep away the men who are now in favour of the tax.

*Hon. R. F. Skoll* : Both parties in another place will go the country with the same taxation programme.

*Hon. C. SOMMERS* : There are 80 members going to the country. What is

that number amongst 260,000 inhabitants? The present Government have never made any attempt to retrench since they took office. They cannot point to one act of retrenchment. [*Hon. M. L. Moss* : What about the railways.] The Government cannot take credit for the railway retrenchment, which was brought about by a set of circumstances. The main credit for that retrenchment is due to the attitude of this House in opposing the land tax. The result of that was to show the Government that some economy was absolutely necessary. Then a new Commissioner of Railways came in, necessarily anxious to win his spurs, and I am pleased to see he is winning them. Then there was the fierce criticism by Mr. Chinn, which threw much light upon the working of the railways. This set of circumstances has led to retrenchment in the Railway Department, a retrenchment involving from £150,000 to £170,000 a year. That sum, I believe, is the only retrenchment the Government can point to, and no credit is due to them for that. There is no other department in which the pruning knife has been applied. I am told on good authority—in fact, it can be seen in the Estimates—that the increase in the cost of the Works Department is £22,000 this year as compared with last year, notwithstanding the fact that no public works of any importance were carried out, that nothing has been attempted. The same old drifting has been going on; and instead of retrenching the Government have allowed the cost to increase by £22,000 in one year. If that is so in the Works Department, I venture to say that if the Lands Department were examined we should find the increase larger still. I understand that the cost of working the Lands Department equals about forty per cent. of the revenue of the department. That is a scandalous state of affairs, and I believe that the same increase, the same costly administration, is to be found in every other department. To think that the Public Works Department are doing nothing at all, while the Government are complaining that there is no money to spend on works, and yet the cost of the department has increased by £22,000 a



year ! And then to make up for this drift, this bad management, the Government wish to impose an income tax, an inquisitorial tax that will involve much worry, much loss of time, and much expense to the people, quite outside the cost of collection to the Government. At the start nearly every trader will have to get expert help of some sort to prepare his complicated schedule. For the first year or two the people will not rightly understand how to do this, and the man who pays £5 or £6 as income tax must pay one or two guineas for the preparation of his statement. I do not object so strongly to the income tax, for those who have incomes can afford to pay it ; but they do not like paying if the tax is unnecessary. And the country is entitled to some proof that every effort has been made to make ends meet before people are asked to put their hands in their pockets and contribute farther, and to contribute at a time when everyone is suffering. I will admit there is a magnificent harvest, and that the farming community and the pastoralists are working admirably. Great credit is due to them. They have had a good season and high prices, of which I think we shall soon feel the benefit. But the burden of the land tax will fall on the principal centres of population. We have only to look around Perth to-day. I venture to say that in Perth and its immediate surroundings there are two thousand empty houses. Rents have been considerably reduced, involving a very heavy burden on the land owners, who are now faced with a land tax ; and at the end of the year there will be a tax for sewerage. Hence the effect of the tax will be that the value of property generally will decrease by about thirty per cent. compared with what it was two years ago. If the tax is imposed, it will come to stay, and the effect will be disastrous. And what will be returned ? I think the Premier's calculation is £40,000, and the cost of collection will probably be £10,000 ; so for a paltry £30,000—the net amount of the tax—the Government will give the State this bad advertisement. One would think, when money was scarce and new forms of taxation were proposed, that there would be

a cessation, at least for a time, of any public works that could be possibly be done without. Yet we find that for the water supply of Perth and suburbs, containing not a very large population after all, including Fremantle, it is proposed to spend from three-quarters of a million to a million pounds. We all want the best possible water scheme we can get. I suppose every man of us would like a carriage and pair ; but no sane man provides himself with that convenience until he has a little spare cash to pay for it. One would think, seeing the thousands of millions of gallons running to waste over the Mundaring Weir, that some effort would be made to tap that supply, and thereby give the people of Perth and Fremantle pure water, the profit from the sale of which would help to lighten the burden imposed on the people by the annual loss of £80,000 odd in respect of the goldfields scheme. If a man had a big paddock containing more feed than his stock could consume, he would necessarily obtain more stock, to endeavour to turn the grass to profitable use, instead of wasting it. We are wasting water which we badly need, and are pumping out of the artesian bores an indefinite supply of filthy stuff that is causing much sickness. I understand that the Mundaring Weir, that some effort £80,000. The water from that weir now reaches Palmerston street, Perth, though few people are aware of the fact, and it reaches Midland Junction, North Perth, and Maylands. But instead of the little pipe put down owing to bad administration, the Government could well have put down a big one while about it ; and if they do this we shall have enough water to satisfy the reasonable requirements of Perth, Fremantle and suburbs for the next fifteen years—possibly twenty. Meanwhile, do not let us lose sight of the possibility of a better scheme being constructed on the Upper Canning or elsewhere, as soon as we have the money to spend on it. That is the one means of raising revenue, one means of preventing a loss ; and it is far better to attempt to use the means we have, instead of spending three quarters of a million to

a million of money when we are faced with the drastic expedient of doubly taxing the people to raise a paltry sum of £80,000. The Government are not content with proposing a new water scheme and attempting to raise money by these two obnoxious taxes, but they wish to build a dock at Fremantle, to cost, I think, anything from £300,000 to half a-million. The cost of such works generally exceeds the sum estimated. From our experience we know that when it is proposed to spend £300,000, the work generally costs at least half as much again. What justification is there for a dock at this stage of our progress? We know of isolated instances in which a ship slightly out of repair has called at Fremantle; but with the exception of the "Orizaba"—and I doubt whether she could ever have been got into a dock—there is no case in which the dock would have been used. In a recent issue of the *West Australian* it is stated that a dock at Melbourne has resulted in a loss. That being so, with all the shipping, all the conveniences, the skilled labour, the low rates of wages ruling in Melbourne, what possible chance have we of making a dock pay at Fremantle? Like many other members I should be glad to see a dock attached to the port, if the convenience were justified by our trade or our financial position. But surely, when we are attempting to raise by two of the worst taxes it is possible to impose a paltry £80,000, we should not suggest the expenditure of £300,000, while taking the risk of the revenue. We are told the dock will pay working expenses, interest, and sinking fund; but the sea is a tricky element, and we do not know what it will give up. When one goes out fishing one sometimes comes home with a sole and sometimes with sore feet. Mr. Throssell mentioned the thousands of acres sold by the Lands Department in the months of September, October, and November. It would be interesting to know the falling-off compared with the same months of the previous year. In September last year there was far more land applied for and there were far more settlers than in September of this year, and the same in October and November.

It is but fair, when figures are quoted, to tell us what happened a year ago. There is a decided falling-off in settlement, and there will be an even greater falling-off if this tax is imposed. Of course settlement will proceed, because every year the area of land available in the Eastern States is becoming smaller. Our State is becoming better known, our seasons are regular; consequently we are attracting settlers. But settlement has fallen off considerably as compared with last year. I do not object to an income tax if it is necessary, but the land tax is the greatest mistake of all, especially in view of the possibility of retrenchment in all the departments we have never attempted to touch. Take the Architectural Branch. I venture to say the cost of running it this year is just as high as, if not higher than, the cost last year; yet we have we built? The Public Works Department cost £22,000 more this year than last year. I dare say there has been no retrenchment in the Crown Law Department, though I believe that Mr. Moss, when Attorney General, had a scheme by which great savings would have been effected. Unfortunately, he did not remain there long enough to carry out his intentions, and no one else has attempted to effect those savings.

*Hon. M. L. Moss:* But I could not do it with the Public Service Act.

*Hon. C. SOMMERS:* The hon. member could have got rid of the Public Service Act, and the public servants also. In a reasonable way; I do not favour any Black Wednesday, or anything of that sort; but with the population we have we must get over those boom ideas. We built up a great public service when people were rushing into the State and when our revenue was increasing, and many of us lost our heads to a great extent; but the same old service that was piled up then has been piling up ever since, notwithstanding that our population has not been increasing to any extent, and that our revenue has been decreasing.

*Member:* Why did you not do something when you were in the Lands Department?

Hon. C. SOMMERS: I was not there long enough to do a great deal; but I think if you consult some of the officers of the Lands Department you will find that I did good work while I was there. [*Hon. W. Kingsmill: Hear hear.*] However, that is past and gone. I maintain that the Government are making a great mistake in attempting to bring about this taxation. I do not think that the amendment moved by Mr. Maley will be carried, though I hope it will; so I am prepared for the Bill going into Committee, and there are several amendments I hope to see carried. I understand that the Leader of the House has agreed to one—or rather he will propose it himself. It is to add to the list of improvements that will count for improvements under the Act, the words “railways and tramways.” I shall have something to say with regard to exemptions. If exemptions are to be carried, certainly I think settlers on the Midland Company's land should have similar protection to those who have purchased from the Crown. I would also like to see something more definite in regard to absentees. I think the time is rather too short. One other point I object to most strongly is to the tax being made retrospective. I would like to see the Bill go out altogether, but if it does not go out I shall endeavour to make it as practical and as least offensive as possible.

Hon. J. M. DREW (Central): It is not my intention to go over the ground which has been already traversed; but I shall endeavour as far as possible to give a brief outline of my intentions as regards this measure. The Government require money, the deficit is increasing, and the Government should be supported in their efforts to place on the statute-book any reasonable measure of taxation. When the taxation Bill was last before this House in the shape of a Land Tax Bill, I said that I would much prefer it if it were accompanied by an Income Tax Bill; but I never realised at that time that the Government would propose to introduce a measure of so drastic a character as this has proved to be, after I have given it my careful study. It is

proposed in this measure to take the burden off the strong man and in a large degree to place it on the weak man. When this measure was introduced it was announced in the Press that those who had salaries from £150 to £300 a year would be called upon to pay £42,000 a year, while those with incomes in excess of £300 a year would be called upon to pay only £1,200 a year. I considered that very unfair and unjust, and had the Bill remained in that form, and it was about to pass this House in that form, I should have no hesitation whatever in casting my vote against it. My idea of a land and income tax is based on the measure in force in New Zealand. They have an exemption of £300 a year. True, in Victoria the exemption is £150; but owing to the low wages in that State it happens that those who have incomes in excess of £300 a year pay double the amount of taxation of those who have incomes of between £150 and £300 a year. In New South Wales also the exemption is £250 and an effort is being made there, as also in New Zealand, to increase the exemption to £1,000. When we come to think that the cost of living in New Zealand and in New South Wales is much lower than it is in Western Australia we wonder indeed why the Government should introduce a measure of this description, placing such a burden on those who are making an effort to gain a subsistence in this State. It has been said to-night that an appeal to the people will have no effect; but in my opinion if this Bill in its original form had been submitted to the people nine-tenths of the people would pronounce against it, because the proposal as originally introduced was to impose extra taxation on nine-tenths of the people of Western Australia who are already heavily burdened. When this Government came into power, when they were before the electors, they gave out that there would be no extra taxation; but since then we have had the imposition of survey fees on agricultural settlers, increased wharfage rates, increased stamp duties, and increased railway freights. These are all burdens on the wage-earners of the community..

Also we have the new form of taxation introduced by the Federal Parliament—new protection—imposing heavy burdens on the workers of the community. In the face of that I think it was very unfair on the part of the Government to introduce a measure proposing such a narrow exemption as was proposed in this Bill when it was first brought before Parliament. It is my intention when the Bill is in Committee to move that the exemption be increased to £250. I trust members of this House will support such an exemption, but I scarcely think members will. I am informed that the object of making the exemption for the income tax so low was to conciliate certain members of this Chamber. I hope it is not so. However, from the evidence I have come to the conclusion that there may be something in this; for the object of the measure must be acceptable to a great many who previously opposed the taxation measure; because, as I said before, it places the burden on the weak man instead of on the strong man as was previously the case. It must be remembered also, in regard to an appeal to the country, that if members of this House had to appeal to their electors after pledging themselves to support an exemption of only £150, how would many of them fare? The majority of the people who elect members of this Chamber are the salaried section of the community. They may be hostile in many instances to the Labour party, but they would certainly be hostile to a low exemption of this character, and they would signify their disapproval of it in an emphatic manner at the elections. While it is almost an utter impossibility for the wage earners or for the civil servants of this State to escape taxation, because they are drawing salaries, the business man, if he is skilful enough, can easily evade it. Only a few weeks ago I received a circular from a firm in London promising on payment of half a crown, to supply me with a book that would enable me to deal successfully with income tax returns; and I saw in one of the Perth papers an advertisement about the same book. We must bear that in mind in discussing this matter. In regard to exempting condi-

tional purchase holders for five years after the date of contract, I thoroughly agree with that and will accord it my support. I think we should show a little sympathy to those who are settled on the land with little money to start, and who have to struggle for many years before there is any return. It is merely sympathy and sentiment because the tax on such settlers would only amount to 10s. 5d. At the same time, why not extend this to the settlers on the Midland Railway? When the Bill is in Committee it is my intention to move an amendment in this direction. I have already given notice of it. There are 277 miles of railway along the greater portion of which we may expect in the near future settlement to take place. It has already taken place; blocks are sold at high figures, and the selectors will naturally be taxed on the price they have agreed to pay for the land. So they will be more heavily taxed than the conditional purchase holders under this Bill; and the least we can do is to bring them, and purchasers from any other company or firm, under the beneficial provisions of this clause dealing with exemption to conditional purchase holders.

*Hon. J. W. Hackett:* It would be very difficult to frame an amendment.

*Hon. J. M. DREW:* I do not think so. I have had some assistance in framing one. Although we cannot make an amendment perfect, I feel satisfied it will achieve the purpose. I believe there is some opposition to the rebate clauses, but anyone can see at a glance that they are amply justified. It has been a principle of past and present Governments that those who improve their lands should have special consideration, and I do not anticipate that there will be any serious opposition in this Chamber to that portion of the Bill. I was glad to notice that Mr. Moss made a good suggestion, though he did not promise to introduce an amendment dealing with the matter; that is in regard to mortgaged land.

*Hon. M. L. Moss:* I do not know how to draw it, that is the trouble.

*Hon. J. M. DREW:* There should be no great difficulty. According to the Bill the mortgagor has to pay on the full

value of the land. He may purchase land for £1,500 and borrow £1,000 on mortgage; but he has to pay on the basis of £1,500. In addition, the mortgagee has to pay on the basis of the interest on the £1,000. It seems to me an amendment is required. Although I have spoken strongly in connection with these two or three matters I intend to support the Bill at its present stage, and to do my best, so long as it is made fairly reasonable, to place it on the statute book.

Hon. F. CONNOR (North): After the many discussions on this question which have taken place in this Chamber, it will not be necessary for me to go into details. I will start by saying I am opposed to any tax being called a land tax and for the reason which I think will appeal to most members. No worse advertisement can be placed before the world, particularly before countries to which we want to address ourselves at the present time for the purpose of obtaining settlers, eligible settlers, people who have money, no worse advertisement can be put before the world by this State than that it is necessary that we should impose what is being called a land tax for the purpose of raising a few paltry pounds. I care not whether it be £60,000 or £80,000, my opinion is that it will not amount to £50,000 when collected. I must crave the indulgence of members inasmuch as I am not as well up in the question as I was last session. I was then fairly well posted when a similar measure came before the House, and I expressed my views I think lucidly, certainly forcibly as I usually do. I expressed them in such a manner that I think they had the appreciation of most members who listened to me, and I ask members to take for granted the arguments which I then placed before them and in the same spirit in which they were placed before them. I hope the result will be the same. Any tax with the name of land attached to it imposed in this State will have the effect of stopping people coming here from the old countries; the class of people we want here. The Colonial Secretary smiles. I have been home recently and have taken an interest in the question, and have dis-

cussed it with various people who would have made good settlers for this country. But this is how they expressed their fears to me: "If you impose what you call a land tax, if it is only a nominal amount, it means that you have got in the thin end of the wedge and we do not know what will happen, and our confidence is not sufficiently good in your country, in your laws, or in the management of your country." I think taxation is necessary. Nobody likes taxation. I must agree with Dr. Hackett on that, but whether we like it or not, sometimes it is necessary. And I do agree with an income tax because you can locate the people who can pay, and it is not after all a tax that will hurt the class of people we want here; the settler on the land, the man with money, brains and ability and a knowledge of how to utilise the land. You cannot tax his income until he makes it, but when he has made it then tax it. Therefore, I am in favour of taxation, and I would vote in favour of an income tax provided it can be shown to me that after the cost of collection is taken from the income tax the amount will materially add to the revenue. This is the position. I had intended to move the adjournment of the debate for the reason that I do not know as much as I should on this question, and I could not give a silent vote. But I will reiterate all I said on a former occasion, that I think the worst advertisement it is possible to give to this country is to impose any tax with the name of land attached to it. I am prepared, if the Bill can be made so, to call it an income tax which will be of material benefit to the revenue if it is proved necessary that the tax shall be imposed. I should like to have gone farther into the subject and followed on the lines laid down by Mr. Moss, to show that it is not necessary that taxation shall be imposed at all; to show that if the administration was better savings could be effected through the civil service—and that is not a nice thing to tackle—and in other channels which would do away with the necessity of imposing this tax. I have said all I have to say on the subject. I will vote if necessary to throw the Bill out. I will

vote for the amendment moved by Mr. Maley, and I am sorry to say if his amendment is defeated and the second reading of the Bill carried, it is my opinion efforts will then be made, I do not know from what quarters, towards making the provisions in the Bill useless when it goes back to another place.

Hon. V. HAMERSLEY (East): I do not intend to delay the time of members to any great extent but to make a few remarks before the division takes place. We all know that the taxation Bill placed before us on this occasion differs somewhat from the Bill of last session inasmuch as an income tax is added to the original land tax. I expressed the opinion last session that if we had a land tax alone it must be distinctly class taxation, and that if the Government were in earnest in bringing forward a measure with the object of raising revenue they should not single out the men who invested their money in land only. Therefore I would be much more in favour of a land and income tax. So far the Government measure meets with greater approval at my hands than the measure of last session. I am still of opinion that the system adopted of taxing the land does not yet meet with all our requirements; at the same time I am not in favour of those who would only prefer an income tax apart from a land tax. I fully realise there are many persons who would have to pay an income tax, who probably have invested their money in the land of the State; people who have expended a large amount of money in developing the land whether in the country or in the towns. And these people by their development have helped the country along, and they would, under the income tax, be singled out for taxation while others who hold vacant blocks of land, who are practically a drag on the community so far as standing by that unimproved land is concerned, would not be penalised. Yet we recognise that there are a great many areas of land in the country and blocks of land in the city the owners of which it would be necessary to reach; they would hardly come under that portion of the

Land Tax Bill as placed before us. That would apply to a tax on unimproved land rather than on the unimproved value of land. Several references have been made this evening to the recent elections which have taken place, elections that have had a direct bearing on the land tax measure, as to what view the people of the State take of the proposals of the Government. It was very clearly placed before members by Mr. Haynes that in both the last elections there was practically a victory by those opposed to land taxation. I hold the same view that the community, although we have probably not at any public meetings, have expressed views adverse to the land tax. These elections undoubtedly gave a cue which goes to show that if the community were given an opportunity of voting on the question, there would probably be a great many members returned directly opposed to a system of land taxation. I know in the Eastern Province election which Mr. Throssell claims as a victory in favour of a land tax, a great many people did not know anything of what the views of either of the candidates were. The election took place so hurriedly that a number of people did not know that Mr. Throssell had at the last moment changed his views and that he was in favour of a land tax. And these people were guided by the opinions expressed at public meetings shortly before the election, when Mr. Throssell spoke strongly against the measure, and earnestly invited several of his friends to stump the country against the deplorable proposition of the Moore Government. That had been fairly discussed by the people throughout the province, and the community understood those were the views held up to the day of the election. It was practically on the day of nomination that an alteration in Mr. Throssell's views took place; and of course the East province is very large. It may not be news to some members that the Press was fairly silent with regard to some of the views expressed by Mr. Throssell's opponent on that occasion, and a great many of the outback electors voted more upon the fact that they had known Mr. Throssell in days gone by and they did

not know his opponent. In fact until after the election, a number of them knew that opponent only by name and they hardly knew anything of the man; so it is small wonder that numbers of them voted without realising what importance the election would have upon the attitude of this Chamber when it next resumed the consideration of the taxation measures. It has been stated by several members that they would be in favour of the measure passing the second reading, with the idea of so altering some of the provisions in Committee that it will be licked out of its present shape. I wish to assure members that if the Bill gets into Committee, I have no wish to propose amendments that will be likely to seriously interfere with it, but shall do my utmost—[*Member*: To kill it!]  
—not to kill it, but to make it as good a Bill as we can, and if we cannot improve it, to leave it as it stands now. I take this attitude because we want to get down to bedrock as speedily as possible; and as the measure has been well discussed, if it passes the second reading there may be no chance to interfere with it materially in Committee. I am satisfied that in whatever state we leave it, there will be a great likelihood of its being accepted in that form by the country; so we must make it as good a measure as we can. So far as regards two parties in the State, the Moore Government and the Labour Party, I feel that the attitude of the Labour party on the question is somewhat inconsistent, because we find they have been very much in favour of taxing the land, but striving to exempt incomes from taxation. Latterly, in dealing farther with the Bill in another place, where the Labour Party were before most anxious there should be no exemptions in the land tax, there has latterly been a very earnest endeavour on their part to get as many exemptions as possible tacked on to the income tax. I cannot altogether understand their action, because it seems to me the tax on income and the tax on land are undoubtedly linked together, and if you give exemptions in one tax you should give exemptions in the other. As I have mentioned previously, I still hold that it is

necessary in the interest of land settlement that the same exemption should be conferred on the settlers in the Midland Company's area; and as mentioned by Mr. Piesse, as long as those settlers conform to the same conditions as to areas, whether 1,000 or 2,000 acres, as provided in the Bill, and are willing to carry out the same improvements on the Midland Company's area as are required on Government land, those Midland Junction settlers should be treated in the same way as settlers on Government land for the purposes of taxation. I do not think it would be right to give exemptions to those who buy land from the Midland Company and are not carrying out necessary improvements; but on the other hand if they are carrying out those improvements we should grant the same exemptions to them as to settlers buying land from the Government. This is particularly necessary because there has been a great outcry that this tax is necessary to burst up large estates, and the Midland Company's area was one of those large estates particularly mentioned. It seems a ridiculous proposition that we should force a measure to make owner's burst up their estates, and put them on the market in open competition with the Government for land settlement purposes, because we realise that purchasers would buy Government land in preference to land offered by private owners, unless the same inducements were offered in regard to taxation on all lands. Farther, it is probable that if this Bill were passed, the Midland Company's debenture holders would have a very good case against this country for having specially singled them out as a mark; whereas if we give these exemptions to every purchaser of the Midland Company's land, undoubtedly it would take away in a great measure much of the sting they may feel. I sincerely hope that the proposition suggested by Mr. Moss will be carried if the Bill gets into Committee. I am satisfied that the Bill, if passed, will not realise a sufficient amount of revenue to warrant the amount of harm it is likely to do; and I hope that if we do pass the measure, the Government will not set up a large taxation department, but will en-

deavour to reduce the cost by making use of some of the surplus officers in other departments. Finally I particularly endorse the suggestion with regard to the man who has a mortgage over his land, and I hope Mr. Moss will be able to frame some clause that will save this kind of owner from the serious position of having to pay the tax twice over. I may explain also that when the vote is taken, I shall walk out because I have paired with Mr. McLarty.

Hon. W. KINGSMILL (Metropolitan-Suburban): It is with a feeling somewhat approaching pity, though I may explain it is in no way akin to love, that I regard this unfortunate Bill. I feel that any poor words of mine in opposition to this measure would pale into insignificance before the violent and virulent attacks made on the Bill by those who pose as its friends and are out to support the second reading. I feel that ample arguments have been used, in the first place against the necessity for this measure, and in the second place with regard to the finding of revenue to replace that which will be lost if the Bill does not come to fruition. Those arguments have been put forward particularly by Mr. Moss and another member in such abundance that it would be unnecessary for me to add to them. As to the mental process by which those members reconcile their vote with their speeches, it is not for me to say how they do it. It is a course I have never, during my lengthy career in Parliament adopted in regard to any measure. I make these remarks because I feel a certain amount of kudos has been attached to me which I wish here and now to disclaim, for having used what little influence I possess against this Bill; and indeed certain anonymous writers in the Press have attributed to me motives, though how they discovered them is not for me to say, which at any rate do credit to their imagination; though in crediting me with trying to reduce the expenditure, they do not credit me with such motives as I might be expected to have in trying to do the best I can for the State in which I live, and more especially for the constituency I represent. With

regard to this much-maligned Bill, maligned alike by its friends and its enemies, it appears to be an honest but futile endeavour on the part of the Government to meet the wishes of this Chamber. I give them credit for that, and while I recognise their honesty, I can only regret the futility of the effort. I have not much more to say on the measure, and would not have spoken at all on this occasion did it not appear that it has become of late a habit for members to refrain from speaking, and to give what is known as a silent vote. I do not say it has become a habit to explain their attitude, because the attitude of some members is absolutely inexplicable; but they have thought it necessary as a duty to their constituencies to say a few words in regard to the Bill before the House. I am going to oppose the Bill for the same reasons I opposed that part of it which was reiterated last session; farthermore because I am not satisfied that the Bill is an equitable tax, and owing to the position I hold in this House it will not fall to my lot to make amendments in Committee. Finally, because I look upon it as a most unjust, unfair, and heavy burden, particularly on that part of the community which I have the honour to represent. It is my intention to vote for the amendment.

Hon. W. PATRICK (Central): None of us are enamoured of taxation. It will be remembered that two years ago I spoke very strongly against the Land Tax Assessment Bill. I gave my reasons in a somewhat lengthy speech and said I was totally opposed to the assessment and the rebates. Since that time, however, the financial position of the State has been altered very considerably for the worse; we have gone behind to the extent of something like £200,000 as far as the Commonwealth revenue alone is concerned. No matter what retrenchment might take place, no matter what economies might be carried out by the Government, no matter what Government may be in power, taxation of some form will be necessary. We have no power over the customs, that being in the hands of the Commonwealth, and so far as we



can see in the immediate future the revenue of the customs will be a decreasing one and perhaps in a few years may disappear altogether. Therefore I find that, although I do not like the Bill at all, it is necessary for me to make up my mind what to do in the circumstances, and I have determined to vote for the second reading of this measure. When I say I will vote for the second reading it does not follow that I will vote for the Bill as it stands; a considerable portion of the Bill I entirely oppose. I will not, however, give my reasons now for that opposition; but there will be time when the Committee stage is reached. I wish to refer to the remarks made by one member who spoke of the tremendous burden to the State of the sinking fund. We need not trouble to discuss that at all, for the State has entered into a bargain from which there is no possibility whatever of getting out. We have to meet it; either by revenue from works constructed out of loan or by taxation; there is no other way. One thing I regret very much is that the Colonial Secretary should have found it necessary to read that long-winded decision about the powers of the Chambers generally. I do not think a decision which was said to be given on what took place between the House of Commons and the House of Lords in the twelfth century, and which apparently affected a question which had arisen in Queensland, can possibly affect the Constitution of Western Australia. It is well-known that the British Constitution, of which this is a kind of a reflex, is one different in many respects from those of the Dependencies. Any Parliament in Great Britain can change the Constitution, but we cannot change ours without a kind of revolution. The Queensland Parliament is merely a creature of the Government; but this House represents a considerable portion of the people of the State, and to my mind the stable portion of the State. I oppose the amendment, and if the Bill goes into Committee I will support some of the amendments that have been suggested.

Hon. G. RANDELL (Metropolitan): I do not propose to detain the House,

for I think it is unnecessary for me to say much after the very excellent speeches made by different hon. members. I regret I was not able to follow Mr. Piesse, although I believe from what I did hear he made some very good points. I also regret I could not catch what Mr. Throssell said. I do not know why it is, but I believe other members have the same idea as I have, that they cannot catch the utterances of those members. I am very sorry for that as I would like to have heard what they said. Much of what was said by Mr. Throssell we have heard before, and one cannot help admiring the splendid optimism of that hon. member. It always comes out when he makes a speech. I did not catch what he said with regard to remarks I made in the House as to him; but all I can say is that I never intended to make a personal reflection on him. With regard to his election I expressed the opinion that it was a moral victory obtained by those opposed to the land tax. I added that I regretted the member had seen fit to change his views, and I heartily endorsed the arguments used as to Ministers running about the country endeavouring to support him in his candidature. I think those Ministers would have been much better employed sitting in their offices and attending to the administration of affairs of the State. I am sorry to see this is growing, and I deprecate it most sincerely and strongly. With regard to the Bill now before the House, the feeling I have with regard to it is that this House has made a most earnest protest, twice repeated, against a land tax being imposed on the country. I must now leave the responsibility on Ministers of the Crown. If they are unwilling or unable to see their way to accept the protest made by this House with regard to the land tax that is their business, and I think I may tell them they will have to put up with the consequences at future elections. What those consequences will be I do not know, and it may be that their action will be indorsed; but I am inclined to think that the feeling on behalf of the best portion of the State will be against the taxation proposals. There is one portion of the State we can never

expect to alter, for it is that particular section which desires to impose taxation upon others who, as they say, are best able to pay the tax, and to relieve from the tax those who are their immediate supporters and who send them to Parliament. I have not altered my views with regard to the non-necessity for this land tax. I am of a similar opinion to Mr. Connor, whose views I think were given expression to in an earnest and apposite way. I believe it will be a bad advertisement for the country and will do serious injury to the present administration. That, however, is their business, and they must take the responsibility on their own shoulders. This House has done its duty wisely and well to the country it represents, and I altogether differ from the opinion of Mr. Laurie, who, I am sorry to see, is not here. I would like to tell that hon. member that, in dealing with a question of constitutional law, I would rather accept the opinion of Mr. Haynes, Mr. Moss, or Mr. Kingsmill than his. If I wanted an opinion upon the management of the Harbour Trust or upon matters connected with wharfage, I would accept with great pleasure the opinion of Mr. Laurie; but on constitutional questions, of which he knows absolutely nothing, according to the speech he made here, I do not accept his opinion, which I think amounted almost to rather an undignified utterance, as it was a lecture to this House upon a question of which he knows nothing.

*Hon W. Maley:* He got his ideas from a legal member of the House.

*Hon. G. RANDELL:* While we have Section 46 of the Constitution Act members will always retain their privileges. We have never interfered with the Appropriation Bill although it may have been necessary at times to make certain suggestions; but we have always felt that the responsibility of that measure rests on the Government of the day alone. When a question of policy comes in, this House has the right to make its opinion known. So far as I gauge the opinion of this House they will do so to the end. I hope no change in this respect will take place to the injury or the deterioration of the Legislative Council. I have one

other regret to express, and that was at the reading by the Leader of the House of a judgment given some time ago by Sir Samuel Griffith. We all appreciate the great ability and learning of the Chief Justice of the Commonwealth, but it has already been pointed out, especially by Mr. Haynes, that the circumstances are not alike and therefore the judgment does not apply to us. I have an objection from another point of view. If I had been the Minister in charge of the House I would not have read the judgment, because it might be misinterpreted as an endeavour to exercise a certain amount of pressure on the opinion of members. If I might venture to give advice to the Leader of the House—I do not think it was his own wish to read that judgment—I would suggest to him not to be influenced by anyone outside to take such a step again.

*The Colonial Secretary:* It was handed to me by Mr. Moss who is looked upon as a constitutional authority.

*Hon. G. RANDELL:* It is like bringing pressure to bear on members on a matter under consideration. I advise the Minister in all good feeling on this matter, and I hope he will see it is undesirable that such a course should be pursued. It has been attempted before and resented, and there was a general consensus of opinion when the Colonial Secretary was reading the judgment, that it was a mistake to do so. I hope it will not occur again. Regarding the Bill, I intend to vote for the second reading, for the reasons I have already stated—that I think we have carried our protests far enough, and that the responsibility now rests with the Government. There are in the Bill anomalies that will have to be removed, and I must say the Bill has come here not quite so acceptable as when it entered another place. Some of the amendments made there are not in the general interest of the country. One might speak very strongly about some parts of the measure, but that would be out of place. To these anomalies I shall draw attention when the Bill is in Committee, and I hope they will be rectified. Moreover, there are several clauses which will need very full explana-

tion from the Leader of the House, so that I may understand their meaning. I would only say that if all the amendments of which members in this House have given notice are carried, I fancy the Bill will wear an appearance very different from what it wears now. Some of the amendments are impossible. The point to which Mr. Drew has referred is one of the best arguments produced in this House against a land tax in the present state of the country. He was arguing for the exemption of settlers on the Midland Company's land, and pointed out that when exemptions are introduced in a Bill of this kind they have to be very carefully effected, or they will destroy the value of the Bill. I forget the exact words of the hon. member, but his argument is one of the best that can be used against the land tax. He will find, I think, it is impossible for him to introduce those exemptions with regard to sales by private owners; and this shows the Government themselves realise that the Bill if it is to press equally on every taxpayer must be obnoxious and will not pass. I must curtail my remarks considerably, and should speak at greater length but that I do not think it necessary, especially as I shall vote for the second reading, and shall have an opportunity of referring in Committee to the clauses that I think objectionable.

Hon. R. D. McKENZIE (North-East): Nearly four years ago, when I was contesting an election for the North-East province, I recognised that probably during my six years' tenure of office, if I was elected, the question of direct taxation would be brought before Parliament. I therefore took the precaution of giving the electors my views on both land tax and income tax. Those views were, and I have not changed them since, that I was in favour of direct taxation either by way of a land tax or by way of income tax. The only reservation I made was, that I should not be in favour of imposing the taxes until the financial position of the State made farther taxation absolutely necessary. This Bill has practically been before us during three sessions. It is not quite the same Bill as

was first introduced. The first was simply a land-tax measure; now we have a dual measure providing for a land tax and an income tax. It is my intention to give the Bill every reasonable support. I certainly intend to support the second reading, and to give the Bill a fair measure of support in Committee. I may see my way to vote for some amendments, but I certainly shall not agree to the Bill being altered to any very serious extent. I told my electors that I would not be a party to the imposition of these taxes until the country was in urgent need of additional revenue, and I believe that time has come. Twelve months ago there was in my opinion a necessity for a land tax. During the last twelve months the financial position of the State has certainly not improved, and I believe the Ministry are perfectly justified in bringing in this measure. I am rather astonished to hear the remarks of those members representing agricultural districts. To hear them one would think that the whole of their constituents are opposed to any direct taxation. Which industry in the State benefits most by the liberality of the State Government? I should say, certainly, the agricultural industry. [*Hon. F. Connor*: No; the mining industry.] And there is no question the Moore Government have proposed a very advanced policy for assisting agriculture. Therefore if the agricultural industry expects some consideration during the next year or two, the agricultural members should be found supporting this measure. Not only the agricultural industry, however, is in need of assistance. The mining industry is now at a critical period of its existence. Unquestionably there is very little prospecting going on. Very few prospectors of the genuine type are now going out to the back blocks; and if these prospectors leave the State, if the industry is allowed to languish, it will take a lot of resuscitation. A long time will be needed to bring it back to its present state. There is also another industry that needs fostering in this State, and it cannot be fostered without the necessary revenue. I refer to the dairying industry. It was that industry which I may almost

say saved Victoria from the bankruptcy court, and it will do much for this State. But the Government will be powerless to assist that industry unless they have the means at their command. Members have said much about the Government not economising sufficiently during the last year or two. Mr. Randell has just said he would take the opinion of Mr. Moss on any constitutional question. I also feel inclined to take his opinion when he says it is impossible under the present Public Service Act to retrench in the civil service. I believe the intentions of the Government were good, but Ministers were blocked by existing legislation. If the Act can be amended, I have no doubt they will do as good work amongst the civil servants as they have done in the Railway Department; and I have it on very good authority that by the end of June next year the saving in the Railway Department will be something like £150,000.

*Hon. R. F. Sholl:* Why did they not save before?

*Hon. R. D. McKENZIE:* The Railways were being run by a Commissioner. The estimated revenue for the department this year will be the same as for the previous year, and some £150,000 will be saved consequent on the dismissal of some thousand hands. This £150,000 saved can hardly be retained by the Government to assist industries. There is no question that when once the railways are beginning to pay a little more than interest and sinking fund, then, in justice to the people who use the railways and to the industries situated inland, the railway rates must be reduced; so that if the Government continue to make this £150,000 a year in addition to the present profit, it must not be thought that the savings will go into consolidated revenue. In looking up the statistics of Western Australia, and comparing them with the figures quoted, I think, by Mr. Moss in this debate, I find a discrepancy. He said that taxation in this State was about £7 per head. I cannot reconcile his statement with the statistical returns published by the Government. I make the direct taxation in Western Australia about 20s. per

head of the population, and the indirect taxation something like £3; so that the taxation direct and indirect is only £4 per head. I do not think this is an extravagant amount; and I am not one of those who think that the population of Western Australia cannot bear a slightly heavier burden, especially when it is considered that the money raised will be put into those industries which require fostering in the immediate future. We must certainly foster the dairying, mining, and agricultural industries, if we expect Western Australia to become a great State. The measure before the House is simply a machinery measure; a taxation measure is to follow. I have duly noted that the latter measure will have to be re-enacted every year, so that in passing it this year we give the Government power to collect the tax for one year only. If we find that they are abusing the trust placed in them, that they are not using the money for the purpose intended, then next year we shall be able to refuse to re-enact the taxation measure.

*Member:* Once you get the tax on you will never get it off.

*Hon. R. D. McKENZIE:* If that be true, it shows a great weakness on the part of the House. I say, we are strong enough to refuse to re-enact the measure, if we find the Government are not rightly using the moneys raised by taxation. I am quite satisfied that the 30,000 or 40,000 people in the North-East Province had an opportunity of hearing my views when I stood for election, and of saying they approved of the tax. I am satisfied that they did approve, and I shall therefore vote for the second reading.

*Hon. J. W. WRIGHT (Metropolitan):* As seconder of the amendment, it is almost unnecessary for me to say I shall vote against this measure. I voted against it when it came before us on previous occasions, in every possible form, and I am opposed to it now in every possible form. I have heard many speeches on the Bill, but they all strike me as being apologies. Not one speech has been made in support of it, and I must say I cannot see—I may almost say

I do not want to see—the need for this taxation. It would be almost a pity to give the Government this money to play with and throw away. They have started to economise, and if we give them the money now, I think they will cease to economise. I should like to see them kept down to bedrock before we give them any more money. I think the shortage of money is due to the waste that we see going on in the different departments. I am more conversant with two departments than with others, but we have been told by Mr. Sommers that the working expenses of the Public Works Department this year have been £22,000 more than those of the previous year, with less work done. I think other money should be added. We have been told on more than one occasion that the agricultural railways about which I have asked so many questions have been constructed for the sum at which tenders were accepted, but in the Railway Commissioner's report I see that these railways have cost £16,000 more. These are the questions we ask and these are the answers we get. They cost £16,000 more and no extra work has been done for it, and the plans and specifications have not been carried out. That is what we get from departmental work. That expenditure should be added to the other expenditure. Then I have drummed it in with regard to these filter beds till I am almost ashamed of talking about it. We have simply thrown away £10,000 by putting the filter beds on Burswood Island. There is also the construction of the septic tanks which should have been deferred for two years. We are spending £2,000 each year in interest on those tanks. Do we wonder at the Government wanting money? I do not. Then there is the George street sewer with the contract imperfectly drawn up, and the contractors not responsible for what they did, and the Government paying £500 for repairs to a house which the contractor should have done. Do we wonder at the Government wanting an income tax and a land tax? The more money we give them the more money they waste. Notwithstanding there has been a reduction of £170,000 in the administration of the railways, there was a loss

of £5,000 for the month of October. I do not know where it comes in. Somebody more accustomed to book-keeping may find it out. Then there is a doubtful outlay, so far as I can see, in this Ravens-thorpe railway. There is another £100,000 thrown away, if half of what we hear is true. Then there is the £1,000 to Mr. Illingworth. I do not know. And then I am told on very good authority that some short period ago £18,000 was spent on patent axle boxes, which could not be used when they came here, and that some of them are lying along the lines now, and some have been dropped into Rocky Bay, while others are in the store. And then £12,000 had to be spent in common axle boxes to replace those, so £30,000 was spent when £12,000 would have done according to the department's showing. Here is another instance of how the Public Works Department do their work. The tiling of the Supreme Court has been pulled up and relaid three times in the new buildings. I daresay it will be done again in a few months. I could go on for the next half-hour or more quoting these stupid things, but one amusing thing struck me in regard to the waste of public money by the Public Works Department at the Supreme Court. A cushion was wanted for a common chair. It was notified to the Public Works Department, an inspector was sent to inspect the chair and report. This took him half a day. I believe from what I can hear that on the second day another inspector went and overhauled this chair and reported. The third day nobody went, but on the fourth day another inspector went and inspected, and on the fifth still another inspector went and reported, and then they got the cushion ten days after, costing a few shillings. That was a waste of money. There were so many reports over a stupid thing like that; it must have cost the Government £4 or £5 over a cushion that cost a few shillings. But this is continually going on; and do we wonder at the Government getting into trouble and wanting an income tax and a land tax? I should be surprised if they did not. Now they are talking of spending another £50,000 in buying the Denmark

railway. I daresay it may pay, but I do not know where the money is to come from unless they are going to have another income tax, or to tax public-houses. I do not think it is any good going on like this for another hour. I intend to vote for the amendment and to vote against the Bill on all possible occasions.

Hon. R. F. SHOLL (North): I wish to make my position clear. Last session I opposed the measure brought in for a land tax pure and simple. The reason I gave was that while the land was taxed those who had large incomes, those who were reaping benefits from the country by trade and such as that were escaping. When the dual tax was mooted I thought it fair, and I still think if it is necessary to have an increased taxation the present measure is a fair and just one, but we have been told and led to believe that the object of this tax is to overcome our deficit in revenue owing to the loss of revenue from the customs and other directions, but we find the Government do not give us a fair show to support them. They are increasing the interest bill to more than absorb the revenue they are going to derive from this extra taxation. The Government have shown no desire to economise, so that if we pass this taxation measure, 12 months hence they will be in probably a worse position than they are in now. We find agricultural railways proposed and built all over the country. Surely we can hold our hand? We have spent enough. Let us see what these agricultural railways will do. But these are sops thrown round to all the constituencies for support. We cannot look through the Estimates but we see sops thrown out all round, and there is no effort on the part of the Government to economise. They say they want this extra taxation to overcome the deficit which unfortunately has happened from unforeseen circumstances. In a private business one would say, "It is a better policy to adopt, but we cannot afford it just now, we must economise, and must do without this or that." Unfortunately, under this alleged political constitution of ours, when a party gets into power it will try to retain power at the expense of

the country; it does not matter what it costs, there are sops thrown all round. A system of log-rolling is going on that will equal if not excel the worst features of log-rolling in America. We can look through the Estimates and pick out the money spent in the constituencies of Ministers. It is positively disgraceful. Take Fremantle. I can quote them if I want to, I have looked them up. We see that in Fremantle particularly large sums of money are proposed to be spent there, and now we have this proposal for a dock which is going to cost the country so much. Goodness knows, it may be put in the wrong place. It may cost us more than we anticipate. It is evidently going to be a white elephant from a financial point of view. We all know perfectly well that all the vessels trading here will dock elsewhere. The Eastern vessels will dock in the East, at their headquarters where they outfit, and we know that the Singapore boats will dock at Singapore, and that all we have to depend on is some unfortunate vessel that may happen to break down in the Indian Ocean. I do not say that a good harbour should not have a dock, but I say the time is inopportune; we cannot afford the luxury of a dock at Fremantle. The Government ask us for taxation to overcome the deficit, yet they put a proposition on the Notice Paper and they know perfectly well that it will be a drain on the resources of the country, and that it will not pay working expenses. No docks do. It is a work that might be postponed until a future date. In no way do the Government give those who wish to help them in a fair measure of taxation to overcome the deficit, a fair deal, because they have not shown any desire to exercise economy in the slightest degree. A great deal has been made as to the reduction on the railways, but it shows how disgracefully the railways have been managed and how the Government have failed in their duty in not taking action before. Much has been said about the present acting Commissioner of Railways, and about what he is doing now, and how he is reducing expenses; but I say, why did he not do it before? He was Traffic Manager, and was the man

responsible for the appointing of men in regard to the traffic. The Commissioner of Railways, as head of the department, is advised by the Traffic Manager; and if anyone is to be blamed for extravagant management in the past, it is the present acting Commissioner of Railways, because he was Traffic Manager. It is no use placing the blame on a man who is now out of the service and who does not think it worth while replying, but we can place it on the present Acting Commissioner, because, why did he not do it before?

*Hon. R. D. McKenzie:* Because the Commissioner would not let him.

*Hon. R. F. SHOLL:* The Commissioner of Railways would not take the responsibility of refusing the recommendation of his Traffic Manager. The present Commissioner must be responsible because he was Traffic Manager. I am going to vote for the second reading. I am not going to throw the Bill out because if we are to have taxation, if it is necessary and justifiable, I would rather see an income tax than a land tax because by a land tax, in conjunction with an income tax, we compel people to improve their land, and if we have an income tax without a land tax we may have land in the State never utilised. Therefore I believe in the system of taxation now proposed. As I said before I do not think the Government require this money for the purpose of reducing the deficit but to pay the interest bill which they are piling up and which will more than exceed the amount to be derived from the income tax and land tax. I reserve to myself the right to move or to support certain amendments to the Bill, one in reference to the absentee tax and another in regard to the lands on the Midland Railway line which should be placed on a similar basis to Crown lands. I think that the people who take up land from the Midland Company, who pay cash or who make progress payments for 15 years and pay interest are doing as much for the country as those who take up Crown lands, who get five years exemption and have 20 years in which to pay for the land; they also receive the land at a better price. They have no interest and they

have cheap land. I cannot support a provision of that kind because I think it is unjust. We should either do away with the exemptions altogether or place all people who take up land and who are doing their duty to the country on equal terms. That is logically and fairly what I believe in. Something has been said about the Public Service Act, but it has not had a fair show under the Commissioner. I find that certain individuals have had increases and others none. This has been done by the Government themselves. I would like to know under what conditions the public service exists. Can the Government by a little favouritism increase the salaries of certain civil servants in opposition to the report of the Public Service Commissioner? If the Government can legally do that it would be better to do away with the Public Service Act altogether. We would then have political influence and an overcrowded civil service which it would be most difficult to reduce owing to certain claims civil servants would have on their positions. The Public Service Commissioner has not had a fair show. I would like to know if a Minister can give his friends or anyone else in his office an increase in salary without the consent of the Public Service Commissioner? If such a thing is allowed the Public Service Act is a dead letter. The Government are spending a large sum of money for the development of the country by building agricultural railways. No one can deny that it is a wise policy to develop the agricultural resources of the country but when one finds on the Estimates of this year £5,000 for roads to act as feeders to these agricultural railways it is a matter for serious consideration whether we are not going forward a little too rapidly in building so many of these agricultural railways. We have not only the cost of the railways to consider, and for many years these railways will not pay, if at all, although indirectly they will be productive to the country, but the question arises whether we are not putting the country to too large an expenditure if we have to provide £5,000 on the Estimates to make feeders probably in some favoured locality. I think the Government are wise

generally in their policy but they do not show much judgment as to economy. If there is retrenchment to be in any department something should be done in the Lands Department. I think economy should be shown there. I think the department really is quite demoralised. I do not want to weary the House by giving instances, but it is very difficult to get a reply from the department if you write to the Minister. This is a matter that should be taken in hand. We should see if something cannot be done to liven up the department in its attention to the general public. In regard to the lecture given to us by the Colonial Secretary on the constitutional powers of the House I think if we carry out the Constitution, assert our rights as given to us by the Constitution, we need not trouble ourselves about any question submitted to the House of Lords or the Privy Council such as was submitted by the Queensland Government at a certain date. We have a Constitution and the State of Queensland has a Constitution, and our Constitution may be quite different from that of Queensland in regard to the powers given to this House as compared with the powers given to the Queensland Legislative Council. Moreover the Upper House of Queensland is a nominee body while this is an elective body. Some people say there should be an extended franchise. I may say that the members represent the best part of the people of this country. They represent the people who have to live in this country who have to bear all the taxes, not like the man in the street or on the fields who can pick up his billy or his bluey and clear out at any moment. I do not think it is necessary that any Minister should lecture the House as to its duties and its powers. Each individual member should be sufficiently enlightened to exercise his opinions as to the powers we have. Our powers are sufficient to send the Estimates back and to suggest alterations if necessary. I think we have sufficient power to do that otherwise the Ministry in power might put on the Estimates an increase for their own salaries or an increase for certain individuals. There is an increase

for an individual which has been most wrongly put on the Estimates. Members may know the case I refer to. We have heard a great deal from members representing mining districts—Mr. McKenzie particularly—who very ably from their view are always bringing forward the wonderful benefits we have derived from those unfortunate people who have gone to the goldfields and have really made Western Australia. The men who made Western Australia are not on the fields now. The principal residents of the goldfields are men who came after the goldfields were discovered and after they were proven to be valuable. These men have followed in the wake of others. They are not the old pioneers who have borne the heat and burden of the day. The goldfields were in existence before the people resident on the fields went there and yet we hear members continually saying, "What would you have done without the goldfields?" It is nonsense to talk about the matter like that. We know the advantages which the goldfields have given to Western Australia but the goldfields were discovered long before the people on the fields came here. There were railways up there before the people came. The people now living on the fields are like the crows following the carcase. The gag has always been used as to what the goldfields have done for Western Australia. It is time it ceased. We realise that the goldfields are part and parcel of the State. Gold was not put into the soil by the people resident on the fields. Fortunately for Western Australia it was there before the people went there. I would suggest; though I would not in any way wish to curtail the vote for prospectors, there is a little too much extravagance exercised with regard to moneys expended on batteries which do not pay in certain cases, and also with regard to the prospecting vote. I think we can go too far. We should be liberal, but should not go too far when we require revenue and when taxation is to be imposed. We should see that we are not going too far in any direction. I would encourage prospecting within reason; not curtail any vote within reason, but I think we are going a little far in



times of financial depression. This is a matter that the Government or the Ministry controlling it should keep an eye on. I shall vote for the second reading of the Bill, though I shall not support every clause of the measure when in Committee. If I am not satisfied with the result when the Bill has passed through Committee, I reserve the right to oppose the third reading. I do this believing that the Government have not shown a genuine desire to economise. The whole of the taxation to be derived from this measure will be mopped up by the increase in our interest bill consequent on the works policy of the Government, introduced I regret to say on the eve of a general election, and to be regarded only in the light of a sop to the country.

Hon. T. F. O. BRIMAGE (North-East): I have no desire to give a silent vote on this measure, and in common with many other members it is my intention to support the second reading. It is possible I should not have spoken on the second reading had not references been made to the great expense of the Coolgardie Water Scheme to the country generally. I regret that when a taxation proposal comes before the House, members should continually bicker about the cost of the Coolgardie Water Scheme. Mr. Sholl attacked my colleague, Mr. McKenzie, for his remarks regarding the people on the goldfields and what they have done for this country. I am not one of those credited with a desire to separate the coast and the goldfields, and I can assure the House it has never been a goldfields policy to feel we are in any way less a part of Western Australia than are the West Australians. With regard to this taxation proposal, I think the time has come when we should have more administration and less legislation. Many of our departments are too expensively managed; and in that connection I need refer only to the Lands Department, where there is ample room for retrenchment. I know of cases in which the issue of a title instead of a few weeks has taken months from the time of application; and in one case the title to a piece of land did not issue until four

and a half years after application. There are also other departments that could be more economically administered. Some departments have too many sub-departments, and many of these might be amalgamated under one officer. I trust the time will come when the country will see fit to tap the Mundaring dam to provide an adequate water supply for Perth. By such means a considerable saving could be effected. I hope the time is not far distant when the arguments now used against the Coolgardie Water Scheme will cease. It is hurtful to goldfields members to be twitted about the cost of the scheme, knowing as we do that the goldfields have been a large contributor to the present prosperity of Western Australia.

The COLONAL SECRETARY explained that, in reference to the wishes of members to take a vote to-night, he would refrain from replying in detail to criticism passed on the measure. He made this explanation so that his refraining from a full reply would not be misunderstood.

Amendment (six months) put, and a division taken with the following result:—

Ayes	..	..	..	7
Noes	..	..	..	16

Majority against .. 9

AYES.	NOES.
Hon. S. J. Haynes	Hon. T. F. O. Brimage
Hon. W. Kingemill	Hon. E. M. Clarke
Hon. W. Mailey	Hon. J. D. Connolly
Hon. C. A. Piesse	Hon. J. M. Drew
Hon. C. Sommers	Hon. J. T. Glowrey
Hon. J. W. Wright	Hon. J. W. Hackett
Hon. F. Connor (Teller).	Hon. J. W. Langsford
	Hon. R. Laurie
	Hon. W. T. Loton
	Hon. M. L. Moss
	Hon. W. Patrick
	Hon. G. Randell
	Hon. E. F. Sholl
	Hon. J. A. Thomson
	Hon. G. Throssell
	Hon. R. D. McKenzie
	(Teller).

Amendment thus negatived.

Question (that the Bill be now read a second time) put, and a division called for by two members (to have it placed on record). Division taken with the following result:—

Ayes	..	..	..	15
Noes	..	..	..	7

Majority for .. 8

**AYES.**  
 Hon. E. M. Clarke  
 Hon. J. D. Connolly  
 Hon. J. M. Drew  
 Hon. J. T. Glowrey  
 Hon. J. W. Hackett  
 Hon. J. W. Langsford  
 Hon. R. Laurie  
 Hon. W. T. Loton  
 Hon. R. D. McKenzie  
 Hon. M. L. Moss  
 Hon. W. Patrick  
 Hon. G. Randell  
 Hon. J. A. Thomson  
 Hon. G. Throssell  
 Hon. T. F. O. Brimage  
 (Teller).

**NOES.**  
 Hon. F. Connor  
 Hon. S. J. Haynes  
 Hon. W. Kingsmill  
 Hon. W. Maley  
 Hon. C. A. Piesse  
 Hon. C. Sommers  
 Hon. J. W. Wright  
 (Teller).

Question thus passed.

Bill read a second time.

The Colonial Secretary requested members to place on the Notice Paper any amendments they intended to move.

## ADJOURNMENT.

The House adjourned at twelve minutes past 10 o'clock, until the next day.

## Legislative Assembly,

Tuesday, 10th December 1907.

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The SPEAKER took the Chair at 4.30 o'clock.

Prayers.

## PAPERS PRESENTED.

By the Premier: Lands Department Annual Report to June 30. Perth Public Hospital Annual Report to June 30. Plan of Pinjarra-Marrinup Railway Route.

By Mr. Speaker: Auditor General's Annual Report to June 30.

## QUESTION — RAILWAY ENGINEER'S RESIDENCE, GERALDTON.

Mr. T. L. BROWN asked the Minister for Railways: 1, Has any action been taken to deal with the person or persons who are responsible for the excess expenditure of £149 1s. 8d. for the Resident Engineer's residence and the foreman's cottage at Geraldton, over and above the amounts stated in replies given by him on the 28th August? 2, If not, is it his intention to take any action? 3, If not, why not?

The MINISTER FOR RAILWAYS replied: The figures supplied in the reply given on the 28th August referred to alterations and additions in connection with the Resident Engineer's office and Foreman's cottage, and were on estimate only. The total cost of alterations and additions was £89 6s 5d, as against an estimate of £75 10s. 11d., an excess expenditure over the estimate of £13 15s. 6d. The maintenance, repairs, and renovations to both buildings totalled £135 6s. 2d., and as explained in a note attached to the return laid on the table of the House, these repairs and renovations were absolutely necessary, and would have had to be done whether the alterations and additions above referred to were carried out or not.

## QUESTION—RAILWAY CONSTRUCTION, GREENHILLS-QUAIRADING.

Mr. JOHNSON asked the Minister for Works: 1, Is a penalty provided in case the contractor for the Greenhills-Quairading Railway does not complete the work to specified time? 2, If so, will the penalty be strictly enforced?

The MINISTER FOR WORKS replied: 1, Yes. 2, Yes, unless there are extenuating circumstances to account for the delay in completion of the contract.

## QUESTION—WATER AND SEWERAGE BOARD.

Mr. WALKER asked the Minister for Works: 1, Is it the intention of the