

to complete the construction of Parliament House. I do not share that view. On the other hand, I consider it is high time proper consideration was shown to the officers and staff of Parliament by making their accommodation habitable during the hot summer months. If at all possible, that additional accommodation should be provided in accordance with the original plans. A great deal has been said about providing full-time employment for sustenance workers. The Mitchell and Collier Governments did all that was possible in the circumstances, and I understand the same policy is being carried out by the present Administration. Originally many people had to accept relief work on account of being thrown out of employment by the depression. I do not consider it fair to expect the Government now to provide those people with full-time work irrespective of whether the work is reproductive. There has always been a small army of Government workers. I remember that years ago, at certain seasons, the State had to provide relief work. If, however, we make it a condition that the Government shall find permanent employment for all those workers to-day, we shall be asking the State to do the impossible. Recently I attended a meeting at a centre near Donnybrook. At that meeting two farmers said that they had tried to get two men for four months' work at the rate of 10s. per day and keep. None of a number of sustenance workers employed in the locality at that time would accept the positions, because, they said, after they had left the farmers they would have to stand down for some time before the Government would put them on again. Thus the two farmers were unable to obtain the labour they needed. That state of affairs should be remedied. I fail to see why something cannot be done in the matter. It appears altogether wrong that farmers should go without labour while at their very doors the taxpayers are employing men. In conclusion, I desire to commend the Government for their generous treatment of the South-West during Labour's last term of office. The Government have spent a large amount of money on development work which will prove of the greatest benefit to the State. Particularly have the Main Roads Board opened up a large area of country by making various roads practicable

which at one time were quite impassable. The people throughout the South-West greatly appreciate the activities of the Main Roads Board. I support the motion for the adoption of the Address-in-reply.

On motion by Hon. J. Nicholson, debate adjourned.

House adjourned at 5.41 p.m.

Legislative Assembly.

Thursday, 10th September, 1936.

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

QUESTION—BIRD PEST.

Mr. WATTS asked the Minister for Agriculture: 1. Has his attention been drawn to a paragraph in the "West Australian" of the 2nd September relative to the shooting of a starling at Gingin? 2. If so, has it been ascertained whether there are a number of such birds in the district? 3. If the answer to No. 2 is in the affirmative, will he take immediate action to have them destroyed, and also take action to prevent their further entry into Western Australia?

The MINISTER FOR AGRICULTURE replied: 1. Yes. 2. The matter is being carefully followed up by the departmental officers and the local vermin board. 3. Every effort is made to prevent the introduction of this bird, which has been declared vermin, into the State.

QUESTION—WATER SUPPLIES, COUNTRY.

Mr. SEWARD asked the Minister for Water Supplies: 1, Have the committee appointed by the Government to investigate the question of country water supplies yet completed their work? 2, If so, will the report be made available to Parliament, and when?

The MINISTER FOR WATER SUPPLIES replied: 1, The Rural Water Supplies Advisory Committee have not yet completed their work, but have submitted a preliminary report which is receiving the consideration of the Government. 2, No particular report will be made public pending settlement of financial negotiations, but various aspects of the water supply question will be made available to Parliament as soon as financial considerations permit.

BILL—JUSTICES ACT AMENDMENT.

Introduced by Mr. Watts and read a first time.

ANNUAL ESTIMATES, 1936-37.

In Committee of Supply.

Debate resumed from the 8th September on the Treasurer's Financial Statement and on the Annual Estimates; Mr. Hegney in the Chair.

Vote—Legislative Council, £1,865:

HON. C. G. LATHAM (York) [4.35]: I am very pleased that the Estimates have been brought down earlier this year. We on this side of the Chamber representing the Country Party have always held that it is advisable to bring the Estimates down as early as possible so that members might have some control of the finances, and might be able to know the financial ideas of the Government for the year. Probably the early introduction of the Budget would obviate quite a lot of discussion on the Address-in-reply, which to me seems a very futile kind of business in which we have engaged for a number of years, because the self-same remarks made on the Address-in-reply could be made on the Estimates. Consequently it is a pleasure to have the Estimates introduced so early on this occasion. I have had an opportunity to peruse the Estimates very fully during the last two days. They are

very similar to the Estimates brought before the Chamber on previous occasions. A great deal of the money has already been authorised for expenditure previous to the Estimates being submitted to this Chamber. I should like to say how much I appreciate the compilation of the tabulated returns this year. They set out very much more clearly than usual the income and expenditure of the Government, and show, so far as I can judge, all the moneys that have come into the hands of the Government. I do not contend that my judgment in that matter is absolutely correct, but those returns certainly do give a great deal more information than members have had in years gone by. I hope we have reached the stage when, with the aid of these returns, members will be able to understand the financial position much better than they have done in the past. It is remarkable how we delve into the statement of accounts and into the Auditor-General's report, and yet I venture to say that there are very few people in Parliament or out of it who really understand them. Still, as to some figures in the Estimates, I cannot see how the amounts are made up.

The Minister for Mines: I cannot, either.

Hon. C. G. LATHAM: However, the returns, as submitted, give the Committee much improved information. I hope the officials will be encouraged to give the fullest possible information so that members and the public may have a better understanding of the actual financial position of the State. Turning to the figures for the year 1935-36, I presume members will say that they disclose a very satisfactory state of affairs, and certainly an improvement in the State's financial position, but I think it would have been wiser to spend the surplus of last year on assisting our industries or the unemployed, as other Governments have done. The Commonwealth Government have set aside very little of their surplus towards making good the deficiencies of other years. They have distributed the money to assist the States. What I am afraid of—and the Minister, in introducing the Estimates on Tuesday night, mentioned his fear or lack of knowledge in this respect—is that if we show the Federal Government that the people of Western Australia are capable of being taxed as we are taxing them and that we are able to show a surplus, there will be a reduction in the Federal disabilities grant. If the Commonwealth should reduce that

grant to the State, it will have the effect of turning the whole of the Estimates upside down.

The Deputy Premier interjected.

The Hon. C. G. LATHAM: In previous years, before the introduction of the financial emergency tax, the authorities in the Eastern States said that Victoria and Western Australia were taxed at less than their taxable capacity. If they try to draw a comparison of that kind between Victoria and this State, I am afraid they will get greatly astray. The taxable capacity of the people in this State is totally different from that of the people in Victoria, New South Wales, or even South Australia. Our country is very new in development work, and the whole of the money derived from the country has been put back into development work and is not income-earning to the extent that it would be in the other States. If we could dissect the incomes of the people here and contrast them with those of people in Victoria and New South Wales, it would be found that our people are very much poorer than are those of the Eastern States. To say that we should tax our people to the extent of £400,000 more than we do at present, and that if we do so we shall get an additional disabilities grant, shows a lack of understanding of the financial position of the people of this State.

The Minister for Mines: It is a wrong principle, anyhow.

Hon. C. G. LATHAM: We should try to obtain the necessary money from our people if we can do so legitimately, but immediately we tax our people more heavily, there is a loss of money which should be available for development work. A tremendous lot of money is still required before we shall be able to get our industries to their fullest earning capacity. In any event, we have exceeded the £400,000 of additional taxation. As a matter of fact, we have doubled the amount because last year we received £500,000 from the tax introduced primarily to make good the deficiencies occurring in revenue, and secondly to enable us to obtain more money through the disabilities grant. The revenue for last year was a record for Western Australia. On looking at the revenue and considering the condition of many of our industries, I wonder whether we did right to tax them to the extent we did last year. We have taken into Consolidated Revenue a large sum of money which it would

have been wiser for the individual to expend on developmental works. While it might be claimed that the farmer has not been taxed—probably he has not been taxed directly—he certainly has been taxed indirectly because it is well known that indirect taxation is passed on and, as members have said, is paid by the primary producer and the worker. To a certain extent, I suppose that statement is true.

Hon. W. D. Johnson: That would affect the disabilities grant.

Hon. C. G. LATHAM: I do not like to express my fear too publicly, but I am afraid that when we get this very large revenue from the people and on top of it show a surplus of £88,000, we shall be encouraging the Disabilities Commission to say, "Looking at your expenditure and receipts for last year, you can do with a considerable amount less than we gave you last year."

Hon. W. D. Johnson: They could do that only if they reduced all the other States proportionately.

Hon. C. G. LATHAM: When the hon. member speaks of all the other States, I remind him that South Australia and Tasmania are the only other states getting any benefit from the disabilities grant.

Hon. W. D. Johnson: That is so.

The Minister for Mines: The grant for this year is based, not on last year's revenue, but on that of the year before.

Hon. C. G. LATHAM: The revenue of two years ago.

The Minister for Mines: Yes.

Hon. C. G. LATHAM: While there is a lag of two years, probably the Government will be in a happy position, but the Commonwealth authorities will certainly know the figures and that will influence them. It is of no use the Government taking credit for having ended the financial year with a surplus, because they had nothing at all to do with it. They imposed the taxation and submitted to the Chamber last year an estimate of their expenditure for the year, budgeting for a deficit of £256,000. In spite of that, however—

Hon. W. D. Johnson: The Government do not get any credit for that surplus.

Hon. C. G. LATHAM: No credit whatever for the surplus of today. In spite of what the Government did, they received this amount of money. I shall show at what cost that money was obtained. Last year the estimated deficit was £256,000.

While the Government budgeted for a certain revenue, they got over a million more than they expected. Therefore, I fail to see how they contributed towards that increase in revenue.

Hon. W. D. JOHNSON: By good administration.

Hon. C. G. LATHAM: That is very nice. The Government got £200,000 more than they expected from the Federal Government, and they got about £140,000 more than they expected from financial emergency taxation. The actual revenue was increased by over half a million pounds. The receipts were actually £627,000 more than estimated. No Government would be entitled to take credit for revenue coming in like that. The present Government did nothing at all towards providing that additional revenue. The total revenue for the year ended 30th June last was £10,033,721, and that is the highest amount the State has ever received. The expenditure for the same year was £9,945,343.

The Deputy Premier: Also the highest ever known.

Hon. C. G. LATHAM: No. I propose to show that the Government, unless they control expenditure, will get back to that orgy of spending which occurred in the past, with the result that the State had to make great sacrifices in order to balance the Budget.

The Minister for Justice: It is the revenue per head that counts.

Hon. C. G. LATHAM: I shall deal with that aspect later. I have shown by how much the population has increased. As revenue increases, so, I regret to say, does the expenditure increase. I fear we are getting back to the old system of lavish expenditure. It is in that respect the Government can exercise control. Their mission is to watch expenditure and to see that not more money is spent than is desirable, especially on works and undertakings that are not revenue-producing. Additional expenditure will not solve our economic difficulties in the slightest degree. If we are going to spend money just simply because it comes into our hands, especially through the avenues of last year, our position will deteriorate. Last year's expenditure was £1,000,000 more than that of 1932-33, and that is a huge increase. Our population has increased by only 15,000 souls during the intervening period. Therefore those 15,000 souls are asked to carry a liability of £1,000,000 for one year. The excess of arrivals over departures in this

State last year was only 566. That rather refutes the statement of the Deputy Premier that a large proportion of the people now on our goldfields are arrivals from the Eastern States.

The Deputy Premier: A great many people come here by the Trans-Continental railway.

Hon. C. G. LATHAM: They are checked over that railway. The only difficulty in checking people entering or leaving Western Australia is by road. This is the first year for five years that Western Australia has had an excess of arrivals over departures. Since the year 1930 it had always been an excess of departures over arrivals. I dare say there are many strangers on the goldfields; but it does not follow they are from the Eastern States, although Western Australia is as attractive as any other State of the Commonwealth. The facts do not bear out the argument used by the Deputy Premier the other evening. As the State becomes more prosperous and offers more employment, we shall have increased population. I know of nothing that attracts population more than goldfields do. That has always been so. Even in the northernmost part of America, the breaking out of the Klondyke goldfields attracted a large population. In common with other members, I am desirous of attracting population, provided the State is in a position to absorb that increase of population and keep it employed. Now I wish to refer to some figures showing the amount of interest paid by the State today and that paid by it in 1932-33. I am taking the latter year as one offering a fair basis for comparison. The total indebtedness in London in 1932-33 was £47,770,000. In 1935-36 that figure had been reduced to £46,276,000, because of loans falling due and being met. The amount of the fall is £1,494,000. The interest paid on the London indebtedness of £47,770,000 in 1932-33 was £1,932,000. Last year the corresponding payment was £1,731,000, showing a decrease of £201,000. That decrease naturally assists the Treasurer. It means £201,000 less money to be found for interest payments in London last year than was the case in 1932-33. Now I come to the question of exchange. For the year 1932-33 Western Australia had to find for exchange £556,982, as against £439,127 for the financial year just closed, showing a decrease of £117,855. The reduction of interest and the reduction of exchange are due to a policy

originated in what is known as the Premier's Plan. Reduction of interest was to take place wherever possible, and the bondholders in Great Britain were approached with that object. A great deal of conversion has taken place thanks to the efforts made by the Commonwealth representative in London since 1930. The total saving in interest and exchange amounts to £318,855. That is a direct reduction in expenditure. I want hon. members to bear in mind that in 1932-33 Western Australia was called upon to find large sums of money in excess of those which had to be found last year. Despite that fact, expenditure has risen far beyond what it was in 1932-33. I want to show the relativity of the London indebtedness to the Australian indebtedness, because, after all, there is an offset of saving in London interest which will have to be charged against the additional money that has to be found in Australia. The loan indebtedness in Australia in 1932-33 was £35,745,000, whereas in 1935-36 it was £44,069,000, showing an increase of £8,324,000. Interest paid in Australia for 1932-33 totalled £1,307,000, and the corresponding payment for 1935-36 was £1,498,000, or an increase of £191,000. Deducting the £191,000 increase from the saving of £318,000 I have previously referred to, it appears that we have made a saving of £128,000 on our loan expenditure. That is money actually saved, which ought to be credited to the State for last year. The public debt has increased by £6,839,000 since 1932-33, and yet there is a total saving of £128,000 in interest and exchange.

Mr. Marshall: There is no doubt we are doing wonderfully well!

Hon. C. G. LATHAM: I may be able to solicit the support of the hon. member to stop this business of running deeper into debt. One does not mind getting into debt to a certain extent provided the money is being spent where we are sure it will produce a little more than interest and sinking fund, because then we are in a happy position. Despite the fact which I have pointed out, that we saved £128,000 in interest and exchange, we spent in the last financial year £749,000 more than in 1932-33. It is there I contend the Government can control expenditure. It is more their good fortune than their merit if the revenue rises above the estimate. The increase of £749,000 in expenditure, however, is a large sum. In 1932-33 Western Australia had to find from revenue very large amounts indeed to assist

men employed on relief works. That expenditure is now met principally from loan funds. If we take into consideration the increase of £749,000, plus about £400,000 additional, it appears that we are spending a million more this year than was spent in 1932-33.

Mr. Marshall: The economy exercised in 1932-33 was false. We have had to find much money to get State assets back to a decent condition. Take the railways, for example. What an awful state they were in!

Hon. C. G. LATHAM: Even allowing for that factor, I venture to say that the very large sum of money saved on relief works would have more than made up the additional expenditure incurred for "belated repairs," which phrase has become a very common term.

Mr. Marshall: The railway rolling-stock is a positive disgrace to all of us.

Hon. C. G. LATHAM: If the Government will turn their attention to controlling this expenditure, it will tend largely to solve the unemployment problem. We should then be able to spend that amount of £749,000 in assisting our industries or granting relief to part-time employees. That would be doing something tangible for the benefit of the people.

Mr. Rodoreda interjected.

Hon. C. G. LATHAM: That was when the States gave back the salary cuts. I want to correct the member for Roebourne, because the basic wage workers did not benefit from that.

Mr. Rodoreda: I am not arguing that point.

Hon. C. G. LATHAM: I did not think the hon. member would care to do so. Only the men who were in receipt of 9s. above the margin, the civil servants and other more highly paid officers secured any benefit.

Mr. Rodoreda: On your mythical figures.

Hon. C. G. LATHAM: The figures were by no means mythical; they were included in the Budget submitted to Parliament.

Mr. Marshall: Then, as a former Premier once said, the money "must be in the pockets of the people."

Hon. C. G. LATHAM: To indicate the difference, I propose to quote a few figures with regard to revenue and they will show how difficult was the position that faced the previous Government. For the financial year 1931-32, the total amount available to the Government was £9,416,000. Let members compare that amount with the money

that was available during the year that has just closed, on revenue and loan accounts, of £12,498,000. That gives an increase of over £3,000,000, and although the Government had that additional money to spend, we find some of our industries in a parlous condition to-day and a great number of men on part-time work only. I contend that, with the advantage of this additional money, the Government can and ought to do more for industry and the workers. I hope the Government will turn their attention to an endeavour to solve this problem when Parliament rises. I do not desire unfairly to criticise Ministers. I want to give the Government an opportunity to tackle this problem and, as soon as the financial measures have been passed by Parliament, the Government should go into recess as quickly as they can and ascertain if they cannot obtain full employment for those who are on part-time work now. I want them to ascertain whether it is not possible to put the funds at their disposal to better use than has been done in the past. It cannot be denied that the economic measures adopted by the Mitchell Government in 1931 have been responsible for the present satisfactory budgetary position. There can be no doubt on that point.

The Minister for Mines: And that was the reason why your Government went £3,000,000 to the bad.

Hon. C. G. LATHAM: I cannot understand the point of view of the Minister. The reason our Government went behind to that extent was that we did not have the revenue.

The Minister for Mines: It was nothing of the kind.

Hon. C. G. LATHAM: It was because we did not have the revenue and, for the first time in the history of Western Australia, we were called upon to provide 30 per cent. in exchange on all money we had to pay overseas. In addition, we had to feed the people at a cost in one year of £600,000. That is the reason why we went behind in our finances. That £600,000 is no longer recurring expenditure. The Minister is usually fair, and sometimes he does give credit to Governments for what they did in the past, even if it was six or three years ago.

The Minister for Mines: Yes, when Governments do right, I give them credit.

Hon. C. G. LATHAM: The Minister knows that to-day he cannot spend more

money than he can place his hands upon, and the fact is that he spends every penny he can get hold of.

The Minister for Mines: So did you, and you left yourself £1,000,000 in debt.

Hon. C. G. LATHAM: But last year the present Government had £3,000,000 additional revenue, or £1,500,000 more than the largest deficit we experienced.

The Minister for Mines: That is so.

Hon. C. G. LATHAM: Will the Minister for Mines tell us what the men employed by the State were engaged on when he left office? They have finished the big job at Forestania which stands to-day as a striking monument to the work of the Labour Government in 1929-30. The men on that undertaking had finished, and certainly no men were employed there when we took office. On the other hand, we experienced reduced income due to the fact that the price for agricultural products had fallen rapidly, and we had to face an avalanche of additional cost in respect of overseas loan funds. From the year that we recorded the large deficit that the Minister for Mines is so anxious to boast about, there has been a gradual improvement in the finances of the State, and I contend that during the three years the Mitchell Government were in office, they laid the foundation for that improvement. Despite the fact that additional money has been available and that remissions of financial emergency taxation cuts have been made, the State is still reaping the benefit of our three years in office. The position during the last five years has become distinctly easier for the Labour Government. The revenue last year exceeded the estimate by £627,000. The Government had nothing to do with that. They budgeted for certain revenue, and revenue was received in excess of their estimate to the extent of £627,000. The additional Commonwealth grant and increased taxation receipts accounted for £455,000, while revenue from public utilities increased by £155,000.

Hon. W. D. Johnson: What will be the Disabilities Grant now?

Hon. C. G. LATHAM: Last year it was £800,000.

Hon. W. D. Johnson: The newspapers report that it will be £500,000 this year.

Hon. C. G. LATHAM: I suppose that was why the Acting Treasurer was called away from the Treasury bench just now.

The Minister for Mines: That information was abroad just after lunch.

Hon. C. G. LATHAM: I did not know of it. I have been so busy that I was not able to read the newspapers. I am very disappointed if that is the position.

Hon. W. D. Johnson: Of course, that is merely the recommendation of the Grants Commission.

Hon. C. G. LATHAM: Then I hope their recommendation will not be accepted. If ever there was a time when the Government required additional money, always taking it for granted that it will be spent wisely, it is to-day. Our agriculturists, in particular, would be far better off if they could receive adequate assistance, and they would provide a solid foundation for recovery if the additional £300,000, if it were made available, were spent in that direction. In addition to our agriculturists, the pastoralists are in need of assistance, and the people in the South-West are in difficulties too.

The Minister for Mines: We are telling them those facts all right.

Hon. C. G. LATHAM: In addition to the points I have mentioned, the Government have many men on part-time employment only. When the member for Guildford-Midland (Hon. W. D. Johnson) informed me of the recommendation of the Federal Grants Commission, I was referring to the additional taxation that the Government had received. Last year the collections from the financial emergency tax totalled £827,000, while the estimate was only £685,000. At any rate, £142,000 more was received under that heading than was anticipated. It is expected that the tax will yield £840,000 this year but, of course, that amount will be exceeded and upwards of £1,000,000 will be received because every man in receipt of the basic wage will have to pay the tax until the end of the year. The Government will have that additional revenue.

The Minister for Mines: If we do, it will be a sign that more money is being circulated in wages.

Hon. C. G. LATHAM: That is not so. The explanation is that everyone on the basic wage to-day will be taxed.

The Minister for Mines: But they are now.

Hon. C. G. LATHAM: They were not taxed prior to the latest rise in the basic wage. Now they are taxed and will continue to be taxed until the end of the year, unless some alteration is made in the next quarter. In order to confirm what I have said, I shall draw the attention of members to the collec-

tions for July and August last, which amounted to £152,000 as compared with £127,000 for the corresponding period of the previous financial year. On those figures, we should certainly derive £1,000,000 from the financial emergency tax during the present year. Probably those on the basic wage will have to pay the tax for a longer period than to the end of the year. While the Government can send a cablegram to London telling the people there that everything is all right in Western Australia and boasting about the improved conditions on the goldfields, members must not lose sight of the fact that the economic position of the State as a whole is not sound, because the financial position of those engaged in the agricultural, pastoral and dairying industries is not satisfactory. Those are the three big industries in Western Australia to-day and so long as those conditions remain, so long must the economic position of the State be regarded as unsound.

The Minister for Mines: There is no question about that.

Hon. C. G. LATHAM: The Government must ascertain what it is possible to do to assist those industries out of their difficulties. I have heard the Minister for Mines boast from time to time about what the mining industry has done for Western Australia, and he was quite right. As the mining industry has been of assistance to the State, so will these other big industries, if we put them in the position in which they should be.

The Minister for Mines: But those industries will never help the State to emerge from the difficulties of the economic situation if their production is at a loss.

Hon. C. G. LATHAM: I agree, but to-day prices are far better. Despite the fears of many because of the Japanese decision not to buy, wool prices in Australia have remained fairly high, and wheat is bringing about 4s. a bushel. We should encourage the wheatgrowers to take advantage of the present upward trend, and I propose to submit a scheme to the Government, before I conclude my remarks, showing how they can assist the industry.

The Minister for Justice: Will the scheme cost money?

Hon. C. G. LATHAM: Yes.

The Minister for Justice: A little while ago you were complaining about expenditure.

Hon. C. G. LATHAM: One might just as well sit down as talk to some members of this House! I have already pointed out that there have been reductions in interest and exchange rates, and the savings made in that direction have not been spent in assisting the primary industries. The money has been frittered away.

The Minister for Justice: What about payments of interest to the Agricultural Bank?

Hon. C. G. LATHAM: That does not represent a great deal in comparison with other years. It is useless for the Minister to object merely because a scheme will cost money. We have already spent money and used it in various directions. My object is to secure expenditure in directions that will bring about a solid economic position.

The Minister for Mines: Tell us what money we have spent that we should not have spent.

Mr. Seward: Some on unemployment relief.

The CHAIRMAN: Order! The Leader of the Opposition will address the Chair.

Hon. C. G. LATHAM: I contend that the latest remission of salary cuts should not have taken place.

The Minister for Mines: What did that amount to?

Hon. C. G. LATHAM: I understand that it amounted to £110,000. Those remissions were to the higher paid officers. I did not desire to refer to that matter again, because it has been discussed frequently. Moreover it can have no effect on the present proposal, as the money has already gone. If the Minister desires, I will dissect the expenditure, and then we can deal with it when considering the departmental Estimates. I will go carefully through them and ascertain where we can save money. I know other directions in which we can save money if only we would. Up to date all that we have done has been to provide a palliative for those industries. There has been no policy from the Government respecting the building up of those industries.

The Minister for Mines: Who built the agricultural water supplies?

Hon. C. G. LATHAM: When, last year?

The Minister for Mines: Any year.

Hon. C. G. LATHAM: What is the use of the Minister asking that question? To what extent would that assist the farmer to get out of his difficult position today? I will give the Ministry credit for having spent a good deal of loan funds in the agricultural areas. There have been railways and roads built and water supplies provided, but the Government were only putting back into those areas the money that had been taken out of them.

The Minister for Mines: It is remarkable that you did not do some of those things.

Hon. C. G. LATHAM: The Minister does not realise how little money there was available to the previous Government during the three years we were in office.

The Minister for Mines: What about the six years during which the coalition Government were there previously?

Hon. C. G. LATHAM: If the Minister would just go over those few years and would carefully note the increase in wheat production and wool production from 1919 onwards, he would realise what the Government of the day were doing. Then of course he would say that the Government went too quickly, because to-day the position of our industry is so indifferent that we are being blamed for having gone too fast. But from 1919 to 1930 a great deal of revenue came in from governmental expenditure on agricultural areas.

The Minister for Mines: I do not mind that at all.

Hon. C. G. LATHAM: I could say to the Minister, why did not he put up batteries all over the mining areas? I know he did not do it because he did not have the necessary money. So it is childish to make remarks like that, since we cannot do what we have not the money for. If we want to get back to a sounder financial position in this State, we have to do something solid for our agriculturists, our pastoralists and our dairy-men. When we can bring them back to a sounder position the State also will be in a sounder position. Now I wish to quote a few figures in regard to wheat production. For the five-year period ended in 1930, the wheat production for the State was 160,000,000 bushels, valued at £42,000,000. That is what the Government were doing in those days, building up that industry. It is going to be a long time before the gold-

mining industry will return to the people of the State so large an amount of money.

The Minister for Mines: The goldmining industry has returned considerably more than that.

Hon. C. G. LATHAM: Over the whole of its history, yes, but I am quoting only a five-year period, during which there was no comparison between the value of the gold production and that of wheat production. Now the total production of wheat during the period 1931 to 1936 was 201,000,000 bushels, but I regret to say that instead of that production having anything like the value of £42,000,000, its value was only £31,000,000. So the production for the five years 1931-36 was 41,000,000 bushels above the yield for the five-yearly period 1925 to 1930, but the value was £11,000,000 below that of 1925-30. That is the answer to all this criticism. The income fell by £11,000,000, or more than £2,000,000 per annum. If that £2,000,000 per annum had come into the pockets of the farmers, the £700,000 that was lost last year because the Treasurer instead of the farmer, had to pay the interest, would have been easily provided.

The Minister for Mines: Why blame any Government for a specially low price?

Hon. C. G. LATHAM: I am not blaming the Government. All I am asking them to do now that wheat is getting back to the 4s. mark, is to turn attention to re-establishing the farmers so that they can do so much more for this State than is possible for them to do to-day.

The Minister for Mines: Well, why attack us?

Hon. C. G. LATHAM: If this side of the House is to be blamed for attacking the Government, the Government have very little to complain about. They have not been attacked by us. We have been known as a mild Opposition, and we are criticised by the public outside for not harassing the Government. But in our view it is not the time for harassing the Government. What we ought to do and are prepared to do is to assist the Government in re-establishing our industry which, as my figures showed just now, is in dire need of being re-established. Let me quote those figures once more. Although the production of wheat for the 1931-36 period showed an increase of 41,000,000 bushels above the yield for the previous five years, the value was £11,000,000

below that for the period 1925-30. Those figures tell the tale.

The Minister for Works interjected.

Hon. C. G. LATHAM: The Minister knows as well as I do that during the three years we were in office we could not put any settler on the land, because we had not the money. If there is any blame in that regard, it does not lie with us.

The Minister for Works: I was not pointing at any Government in particular.

Hon. C. G. LATHAM: During those other three years when your Government were in office and we had the 3,500 farms scheme and all that—but I have no desire to bring that up; it has all been thrashed out before.

The Minister for Works: I am not blaming any Government in particular.

Hon. C. G. LATHAM: The Minister will interject to draw my attention to those facts when I do not wish to discuss them. The production of wheat during the last five years was 201,000,000 bushels. If that could all have been sold at the price at which wheat is to-day, it would have meant a revenue of £40,200,000, or £9,800,000 above the actual price that wheat brought. So I believe the time has arrived when every party in the House should get together with a view to putting back the wheatgrowers into the position they were in previously. That money alone would have found employment for the whole of our unemployed.

Mr. Fox: The farmers were able to sell all that they produced.

Hon. C. G. LATHAM: Yes. We have been fortunate in this State, for we do not have carry-overs.

Mr. Fox: Yet they have them in other parts of the world.

Hon. C. G. LATHAM: Yes, if they have not the necessary management or the desired quality of wheat, carry-overs are inevitable.

Hon. W. D. Johnson interjected.

Hon. C. G. LATHAM: The hon. member, being himself a large grower, knows the quality of the wheat that is produced in this State. There is a demand for Australian wheat in the markets of the world. We produce a white wheat, whereas other wheat-growing countries produce a red wheat. A wheat man from London who was here a little while ago told me that it does not matter so much, but we should keep our quality as high as we can, and that so long as we can produce white wheat we will always

enjoy a demand for it. He said that red wheats predominate to-day, and that while white wheats are produced to mix with it, it is quite all right.

The Minister for Works: But you want more than colour.

Hon. C. G. LATHAM: Yes, I admit we want a good quality.

Mr. Fox interjected.

Hon. C. G. LATHAM: The hon. member had better not interject about something he knows nothing of. If he saw the wheat exported from here, and then went to London and watched the wheat that is taken into the mills there, he would be horrified. Our wheat is cleaned merely by brushes, but in England most other wheats are washed in water.

Mr. Fox: I have seen more of our wheat probably than you have.

Hon. C. G. LATHAM: There is never any complaint from overseas about our wheat. Indeed, the only complaint about it comes from the Fremantle workers. Whether or not they in England are dissatisfied with our wheat, we have had as high as 3d. per quarter premium for it in London.

Mr. Withers: And if we sent it in better condition we might get a higher premium still.

Hon. C. G. LATHAM: That might be so. But even if we were to grade our wheat—

Hon. W. D. Johnson: We cannot grade our wheat, because it is all of one grade to begin with.

Hon. C. G. LATHAM: I quoted those figures in order to show what would be the actual benefit to the State if we could get the wheat producer again producing as he was in 1931. It would provide extra revenue for the Government, extra employment for our railwaymen, and much more employment for citizens generally, especially those citizens represented by the members for Fremantle and South Fremantle, for it would mean a great deal more employment at the ports. When the Government talk of their desire to improve the standard of living, it surely does not mean the standard of living of trade unionists alone. The Government should investigate the standard of those who today are farming under most difficult conditions. Weighed down by debt, they are endeavouring to carry on with worn-out plant and machinery, and with horses as old as Methuselah. No farmer can do good work with old horses. I sug-

gest it would be wise if the Government were to spend £500,000 a year for the next three years in order to re-establish the industry, and so remove a lot of our difficulties. The Deputy Premier in introducing the Budget directed attention to return No. 16. That return shows, under the heading of "Partially reproductive," that on the Agricultural Bank advances last year a deficit was charged to the Treasurer of £226,936. The deficit in connection with soldiers' land settlement was £161,341, in the case of the Industries Assistance Board £81,870, and on account of group settlement £246,621. These are amounts that the Treasurer had to find to make good the deficiencies on interest payments by the persons engaged in those industries. If we gave those people a chance, and put them in a position to earn a living, instead of being only partially reproductive we would find that they would become fully reproductive in a very short time. There is no industry which can respond as the agricultural industry can to good treatment and encouraging prices.

Mr. Withers: Do you think that half a million pounds would do that?

Hon. C. G. LATHAM: I believe so.

The Minister for Mines: And good seasons, too.

Hon. C. G. LATHAM: We must remember that our agricultural areas extend over a great distance, from Geraldton to Esperance, and cover a very wide area. Even last year when we had drought conditions to contend with there were parts of the State which produced absolutely wonderful crops. The estimate last year was exceeded by 3,000,000 bushels.

The Minister for Mines: This year is worse than last year, if we include the pastoral areas.

Hon. C. G. LATHAM: I presume the Government will require to do something to encourage pastoralists to carry on.

The Minister for Agriculture: I should like to think that the statistician's forecast will turn out to be correct.

Hon. C. G. LATHAM: I think that 28,000,000 bushels is too high.

Hon. P. D. Ferguson: Much depends on the rains that fall in the next couple of weeks.

Hon. C. G. LATHAM: It is wonderful what a drought-resisting plant wheat is, and how it will respond to a fall of rain. I thought last year we would not get any crops down our way, but one

man produced eight bags, or 24 bushels, to the acre throughout his crop. Some one must determine the policy in respect to agriculture. It seems to me the control is divided between the Agricultural Bank Commissioners and the Government. I believe, if I correctly interpret the policy of the Bank, it is to extract the last shilling from the farmer or other person engaged in primary industry, with the result that people are being driven off their holdings. That is of no use to anyone, and cannot be of any assistance to those engaged in the industries concerned. Whilst it may be the function of the Commissioners to collect all they can, there must be close co-operation between their policy and the policy of the Government. The Commonwealth Government have attempted to assist wheatgrowers in this State. I should like to point out what the figures are. During 1934-35, they paid to our wheatgrowers £869,000 in cash, and for last year, 1935-36, the amount was £636,000, which is shown on Return No. 6. I cannot quite understand that return. It sets out grants for roads, assistance to industries and unemployment for the year 1935-36, and shows certain amounts paid to trust funds. Under the heading of "Assistance to industries, wheatgrowers' relief" I see the sum of £418,875; for fruitgrowers' relief £130, for drought relief £167,850, and for rural relief £50,000, a total of £636,855. The last-named sum is in connection with the adjustment of debts. The sum of £418,875 for wheatgrowers' relief cannot be correct. The amount paid by the Commonwealth was only £393,000, and then there is the sum of £167,850 for drought relief. This sum must include payment for some other purposes. I would point out that the Commonwealth Government made available to this State last year £1,373,669. That must have relieved the State finances. When I was speaking on the Address-in-reply and indicated that last year the Government had had £40,000 for mining, the Minister for Mines interjected, "Nothing of the sort."

The Minister for Mines: You did not say it was for mining.

Hon. C. G. LATHAM: I said the Government had received £40,000 for mining. The return, however, shows that the Minister actually received £41,500 for metal-

liferous mining. I understand that was for assistance to prospectors.

The Minister for Mines: That was not the figure you were quoting.

Hon. C. G. LATHAM: I quoted that figure. I have the figures here. Last year the Government received £40,000 for mining, and the year before they received £15,000. Return No. 6, however, shows an amount of £41,500.

The Minister for Mines: Those are not the figures you quoted from the return. They had nothing to do with the matter.

Hon. C. G. LATHAM: I made a mistake by quoting £40,000, when I should have quoted £41,500. In addition to all the revenue the Government got, they received £1,373,669. The Government certainly got the benefit of some of that money, and the rest of it was distributed in the State, but also meant relief to the Government. I am now going to suggest how the Government can assist the farmers, and I hope they will give some consideration to the suggestion. They ought to tell the bulk handling company that it can build bulk handling facilities at any railway siding it wishes to. That would not cost the Government one penny. Let the company go wherever it likes.

The Deputy Premier: We are not stopping it.

Hon. C. G. LATHAM: The other day the Deputy Premier announced in the Press that he had given authority for certain sidings.

The Deputy Premier: For all the company asked for.

Hon. C. G. LATHAM: Why not throw them all open?

The Deputy Premier: That is not wanted by the company. Every bulk handling facility the company wanted has been granted.

Hon. C. G. LATHAM: Will the Deputy Premier give the company every siding that is asked for?

The Deputy Premier: Yes. Let it put up the facilities it wants.

Hon. C. G. LATHAM: I am glad to have that admission from the Deputy Premier. There are one or two sidings that I am anxious should be given the necessary bulk handling facilities. I have been told to approach the Minister.

The Minister for Mines: You should approach the right people.

Hon. C. G. LATHAM: That admission has helped me greatly.

The CHAIRMAN: Now that the hon. gentleman has got that far, perhaps he will address the Chair.

Hon. C. G. LATHAM: I cannot always look at you, Mr. Chairman. The attraction for me is probably a little further along the Chamber.

The CHAIRMAN: The Leader of the Opposition is speaking across the floor of the Chamber instead of addressing the Chair.

Hon. C. G. LATHAM: I like to speak in that way because my voice echoes back, and I can hear what I am saying. One way to assist the farmer is to let him have bulk handling facilities wherever he wants them. The next method is to provide terminal elevators at ports. I know the Government are anxious to provide work in such a way that most of the money involved will be expended in labour. That is one way in which to do it. Cement is manufactured locally, indeed all the material, except such reinforcements as are required for terminal elevators, is available in this State. Very little outside material would require to be purchased, and the rest of the money would go on labour. If the farmers are assisted in that direction, it will mean that they will get their wheat shipped at a cheaper rate than that at which they can get it shipped today. Another method is the abolition of the extra freight charge of 9d. per ton on bulk wheat. Now that we have a new Minister for Railways, we may be able to get on the soft side of him. I have watched the hon. gentleman ever since he came into the House. I have always had a great deal of time for his policy, and for the manner in which he has directed himself in this Chamber to the matter before the Chair. I take this opportunity of congratulating him upon his elevation to Cabinet rank. This was long overdue. He was entitled to elevation to the Ministry long before some other members were so entitled. I am speaking genuinely when I say I am very pleased to see him where he is. I hope that with the practical knowledge he has, and his sympathetic outlook, we shall be able to get some consideration from him. He must realise that the Commissioner of Railways is not justified in making that freight charge of 9d.

The Minister for Employment: Can you not offer me some congratulations?

Hon. C. G. LATHAM: I have yet to cross swords over one or two things with the hon. gentleman. I still have one or two things to get back from him if, in doing so, I am able to conform to the rules of the House.

The CHAIRMAN: So long as the hon. gentleman is not threatening the Minister.

Hon. C. G. LATHAM: I now have to ask the Treasurer to assist the Vermin Board in eradicating pests. I am addressing these remarks to the Minister for Agriculture. For a long time the fund for the payment of the bonuses necessary to ensure the destruction of vermin, as provided for under the Act, has been insufficient. I suggest that the Government take one-sixth of the land tax collected and pass it on to the Vermin Board. That should provide sufficient money to enable those people concerned more readily to control dingoes, foxes and eagles. In the past, farmers and pastoralists have found practically all the money, and most of it has been expended in the eradication of vermin on Crown lands. All Crown lands are breeding places for vermin, and foxes and dingoes also come from the Northern Territory and South Australia. These animals are migratory, in consequence of which trait there is always a great number coming into the State. All we ask of the ordinary landowner, who is not taxed for the eradication of vermin as others are, is that a contribution shall be made by him to the vermin fund. This is a national matter so far as Crown lands are concerned. I believe I shall get the support of members representing the North-West. They have a greater difficulty to contend with in the dingo than have we who are further south. I hope the Minister for Agriculture will, out of the additional revenue he will receive this year, be able to provide some remedy for the salinity of our agricultural soils. In many parts of the world attempts are being made to grow grasses of various kinds on that type of soil. Whilst we have sown a little Wimmera rye here and there and have found that it is doing well, I am not satisfied that we are doing all we can to overcome the difficulty. In some parts of the agricultural areas salt is becoming a big problem, and if we can reclaim that land we ought to do so. No individual farmer can overcome the difficulty.

Mr. Rodoreda: The individual farmer is largely responsible for the salinity.

The Minister for Mines: The clearing of trees from banks of creeks has had a lot to do with the soil turning alkaline.

Hon. C. G. LATHAM: The Minister is probably referring to the Avon Valley. In the agricultural areas land which for many years has been producing well, for some reason that is unknown has become saline. I hope some attention will be given to that matter.

The Minister for Justice: Is there a remedy for it?

Hon. C. G. LATHAM: In California the authorities carried out irrigation experiments for several years, and then treated the land with gypsum. I spoke to a man at Yarding who has a gypsum deposit on his property, and suggested that he should try out that treatment, particularly as he has drainage on his holding. I have not been in touch with him for a year or two.

The Minister for Lands interjected.

Hon. C. G. LATHAM: Yes, the presence of black alkali in California has been usual, but they use gypsum in the treatment.

The Minister for Lands: We have not the necessary drainage here.

Hon. C. G. LATHAM: I believe this is one of the matters that the Council of Scientific and Industrial Research should devote some attention to.

Hon. P. D. Ferguson: What is required is a fodder that will grow on salt country.

Hon. C. G. LATHAM: Of course, salt-bush will grow on that type of land, but that will cost money, and certainly it will not be reproductive to the extent that ordinary pastures prove. In conclusion, I think I have shown how expenditure has grown.

The Minister for Justice: But it has not grown so much per head.

Hon. C. G. LATHAM: The Minister will realise that I have not referred to the national debt.

The Minister for Justice: In 1930-31 the State expenditure was £23.4 per head, and last year it was £22.4.

Hon. C. G. LATHAM: But the Minister must realise there has been a reduction in interest rates to the extent of 22½ per cent. since then. When he realises that, he will see that those figures are not quite satisfactory. The returns submitted to us in connection with the Budget are more worthy of careful attention by all members. Expenditure is growing, and must be watched. To last year's expenditure of £9,945,343, we must add £735,814, made available by the

Commonwealth for works—that includes the road grant, assistance to mining and other assistance—and £272,839 for hospital expenditure. Those make a total of true expenditure for last year of £10,953,987, but that is not shown in the Budget at all. The State has had the benefit of this additional amount, and in earlier times the hospital expenditure came out of revenue and was shown in the Estimates. To-day it is not disclosed, except in the returns.

The Minister for Health: There are various headings shown, including medical expense.

Hon. C. G. LATHAM: Yes, there is an item of £35,000 or so. I will have an opportunity to discuss these points with the Minister for Health when his Estimates are before the Committee. I shall then show him how the Treasurer has been bleeding him of his money. In 1931 we called upon the people to make a sacrifice to enable the State to emerge from the depression without creating a crisis. We came safely through that period, and now we must guard against extravagant expenditure. I ask the Committee if they consider we are justified in asking the people again to make a sacrifice. Now the position is a bit more satisfactory, I admit it is difficult to keep expenditure down. The public are always clamouring for expenditure, but they are the first to cry out when we have to impose additional taxation. Nevertheless, Ministers must not only stand up against the public but against their own officials in order that they may keep expenditure down. Without any desire to criticise the Government, I emphasise that we must be careful with the expenditure, particularly to-day. If we are not careful, we shall get back to the unfortunate position we were in when no one would trust us or provide us with additional loan funds. In those days our expenditure exceeded our revenue, and now I appeal to the Committee to be very careful lest we return to the conditions that obtained in 1930 and onwards to 1932. Ministers will agree that I do not submit many requests for the expenditure of public funds. There are many works requiring attention that can be justified. For instance, there is the Fremantle bridge, expenditure upon which would be quite justified. On the other hand, I claim that the £84,000 the Government anticipate spending on trolley buses for the Claremont route is not justifiable expenditure. I do not ask for the removal of the

tram service, which can be left there to continue rendering a useful purpose. If the Government have so much money to spend, they are not justified in spending £84,000 on trolley buses for Claremont while there are men out of employment. The Government's first consideration should be to spend money only where it is justified. If the tram service is adequate for the next ten years without putting anyone to inconvenience, it should be left alone. The Government should not pay attention to what the member for Canning (Mr. Cross) and those who support his ideas say regarding transport matters. The test is whether the expenditure of public funds in that direction is justified. Recently we removed the rails and set them to one side of the road. I urge the Government to let matters stand as they are, and I trust we shall not hear any more about this contemplated action.

The Minister for Railways: I do not think any single-track tramway can be regarded as satisfactory.

Progress reported.

BILL—WOOL (DRAFT ALLOWANCE PROHIBITION).

Second Reading.

Debate resumed from the 8th September.

HON. P. D. FERGUSON (Irwin-Moore) [5.53]: The Bill provides for the abolition of what is known as the draft allowance on wool. To me it is inconceivable that there can be any objection to the passage of the measure through Parliament. The Bill represents an attempt to correct an injustice that has been perpetrated on the wool-growers of Western Australia right down the ages. I would be safe in saying that every conference held by producers' organisations in every State of Australia has carried a resolution urging the abolition of an iniquitous impost on this particular commodity. The draft allowance on wool has always been regarded as more or less of an imposition, and if in days gone by there was no justification for it, there can be none to-day. In 1932 the Commonwealth Government appointed a commission of inquiry to investigate the conditions obtaining in the wool industry at a time when the growers were feeling the effects of depressed prices. That commission made very exhaustive in-

vestigations into various phases of the wool industry and recommended, amongst other things, the abolition of the draft allowance on wool. Quite recently the Agricultural Council, which I understand consists of Ministers of Agriculture from the various States and the permanent heads of the various Agricultural Departments, made a recommendation that uniform legislation throughout Australia should be introduced, with a view to its abolition. Every State, I understand, is taking simultaneous action with a view to having that decision put into effect. I understand also that other parts of the Empire—New Zealand and South Africa particularly—are prepared to follow suit, once legislation becomes an accomplished fact in Australia. Once this movement became Empire-wide, other wool-producing countries I believe would see the wisdom of it and pass similar legislative enactments. During recent years the agitation on the part of woolgrowers throughout Australia for the abolition of this unjust charge has been resisted by the wool buyers who come to Australia for the purpose of purchasing our wool. So far as I can see, there does not appear any justification for the attitude that the buyers have taken up in fighting for the retention of the practice. Wool, as is generally known, has always been valued by buyers on what is known as its clean-scoured basis, and it is absurd to ask for 1 lb. in every cwt. to be deducted from that wool in addition to the dirt and other foreign matter which is always deducted before the buyer fixes his marginal value. That amount is claimed by buyers as a right, no matter whether the particular parcels of wool they are buying happen to be clean or dirty. As a matter of fact, if a bale were filled half with wool and half with sand, the buyers would still claim the 1 lb. per cwt. draft allowance. It is a practice of bygone days but there can be no justification for it in these enlightened times. The Minister for Agriculture mentioned in introducing the Bill, that the practice arose when there were defective weighing machines in use, but that could hardly be held to be sufficient justification because any defective weighing machine would be just as likely to operate against the interests of the wool grower, or the man selling the wool, as against the interests of the wool buyer. It was a case with the wool buyers of "heads I win and tails you lose" every time. Anyway, if there was any justification for this

alliance in days gone by, there can be none now when we have the most accurate weighing appliances known to human science. I should like to give the House one or two figures showing the cost to the growers of Western Australia and Australia of this iniquitous practice of deducting a draft allowance on wool.

Mr. Marshall: I thought the banks were wonderfully generous to the growers.

Hon. P. D. FERGUSON: I never mentioned banks.

Mr. Marshall: Well, who are the agents for the banks—Dalgety and Co.? Oh, no!

Mr. SPEAKER: Order!

Hon. P. D. FERGUSON: A perusal of the "Commonwealth Year Book" for 1935 will show that the average wool production in Western Australia for the last five or six years was 80,000,000 lbs. and its average value was in the vicinity of 10d. a lb. This means that the draft allowance of 1lb. for every 112lb. has cost our producers in Western Australia no less than £30,000 per annum. That £30,000 per annum would just about be sufficient to cover all the handling and marketing costs of our wool in this State from the time it leaves the farms until the time it is placed on board ship. We have been slugged to the tune of £30,000 every year in recent years, ever since our wool production reached the vicinity of 80,000,000 lbs. per annum. The same authority indicates that the production of wool in Australia is 900,000,000 lbs., and its average value is in the vicinity of 10d. a lb. The cost of the draft allowance on that amount is £370,000 per annum. There is no justification for this; it has brought no benefit to the woolgrowers of Australia or to the people as a whole. It has just been additional profit to the people who have bought our wool. The Bill provides that after a date to be fixed by proclamation, any contract for the sale of wool in Western Australia providing for the deduction of a draft allowance shall be null and void. Wool growers of the State do not take seriously the threat that the compulsory abolition of the draft allowance by legislation will operate to their detriment. I believe, and the average wool grower is prepared to believe, that it cannot operate in any way but to the advantage of the wool growers, I have pleasure in supporting the second reading of the Bill and believe that its passage through every

Parliament in every wool-producing country of the world is long overdue.

MR. THORN (Toodyay) [6.2]: I would like to support the remarks of the member for Irwin-Moore (Hon. P. D. Ferguson). I presume the measure will be effective only within the Commonwealth and we will have no power to interfere in relation to wool sold overseas.

The Minister for Agriculture: South Africa and New Zealand will introduce similar legislation.

Mr. THORN: We would be doing a wonderful thing if we could persuade other countries overseas to do the same. The continuance of this practice is unjustifiable and unwarranted.

Mr. Marshall: How long has it been going on?

Mr. THORN: Since the days of Adam. The allowance takes a tremendous amount out of the woolgrowers' cheque. While I support this action, I would like to draw the attention of the House to the position of dried fruits. We send overseas 50,000 tons every year.

The Minister for Agriculture: To what clause are you referring?

Mr. THORN: I am coming to the draft allowance. We have 2 lbs. of dried fruit deducted from every cwt.

Mr. Marshall: That is for stones and stalks.

Mr. THORN: Do not try to be funny; there are no stalks in dried fruit; our methods to-day are most efficient.

Mr. Marshall: Is that deducted overseas or here?

Mr. THORN: Overseas.

Mr. Marshall: How do they justify it?

Mr. THORN: It has always been the custom in the Old Country to make the deduction. There is a big combine in London, the largest in the world, with a tremendous capital. I do not think I should be far out if I set it down at £200,000,000. This combine controls most of the dried fruits that come on to the London market and this allowance has always been deducted. It is a tremendous loss to the growers of the Commonwealth. I mention that to link it up with the proposed Bill. This draft allowance is too big a cost to the State.

Mr. Marshall: You had better move to have dried fruits included in the Bill.

Mr. THORN: No, we have no control over that. That draft allowance is not taken in Australia, so it does not apply. But I wanted to show what the dried fruit industry suffers in the way of draft allowance from the London market. Unless the various countries can combine to produce a measure of this description, effective as far as draft allowance in wool is concerned, we are only going half way. But it is certainly a step forward if the various States of the Commonwealth combine and we can co-operate to prevent this draft allowance being taken from the wool. There is no justification for the draft allowance.

Hon. P. D. Ferguson: There is certainly not a pound of rubbish in the wool.

Mr. THORN: A man with any sense must know that there is nothing like a pound of rubbish in a cwt. of wool. I thought I would mention the dried fruit position, because it is a tremendous imposition on the dried-fruit grower. When you work it out, it is seen that it is nothing but legalised robbery. We asked the board that represents the Commonwealth in London to approach the combine in London to see whether it would not be possible for them to cease taking this pound of dried fruits out of every packet, but the combine proved to be too strong. I have pleasure in supporting the Bill.

MR. MARSHALL (Murehison) [6.10]: I do not know much about the subject, but it has been very interesting to listen to the contributions to this debate, and it becomes all the more interesting when I observe members of the Opposition supporting a measure of this kind. They do not believe in socialisation, yet invariably we can find on the Opposition benches advocates of private enterprise. Never do those behind private enterprise lack an advocate in this Chamber, for the men behind private enterprise are supposed to be emblems of honesty and integrity and chock full of business acumen. But Opposition members live to learn, and they are beginning to see the light of day. So now we find them supporting a measure to prohibit what they consider to be positively dishonest yet enacted by private enterprise. Who is the individual that had the audacity to lodge this imposition upon the woolgrowers?

Mr. Thorn: It might have been Adam, so far back does it go.

Mr. MARSHALL: I want to know who are the people whom this Bill will affect? I suggest the measure will never reach the statute book, for there will be too much influence used in another place for such a Bill to get through. When we find directors of Associated Banks and insurance companies in the majority, there is very little doubt in my mind as to what will be the fate of a Bill of this character when it reaches the Council.

Hon. P. D. Ferguson: Every banker in Australia is asking for it: only the wool-buyers do not want it.

Mr. MARSHALL: So every banker approves of it!

The Minister for Mines: That makes you a bit more suspicious.

Mr. MARSHALL: Yes, I am becoming more curious about it.

Mr. Thorn: And getting proportionately tangled up.

Mr. MARSHALL: From the arguments advanced by the Opposition in regard to the honesty of private enterprise, I can hardly conceive that such a Bill as this would be necessary. Is it not remarkable that private individuals are so full of the desire to be just to private enterprise in this country that it should be necessary for us to deal with a measure of this kind? It seems to me that Opposition members can accommodate themselves to almost any circumstances, that when it suits the occasion private enterprise can be trusted to give sound advice, but immediately members opposite discover it is necessary for their own political welfare they turn down private enterprise and look for a statutory authority under which to exploit the people. I want to know from the Minister who are the people who have been exploiting the woolgrowers.

Hon. P. D. Ferguson: The Minister knows.

Mr. MARSHALL: Well, the Minister did not inform the Chamber. If there is a section of the community that have had the temerity to rob the producers to this extent, they should be proclaimed in this Chamber.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. MARSHALL: I desire to support the measure whole-heartedly. Little fish are sweet, particularly to the wool-growers and producers of to-day.

Owing to their sad plight, due to conditions over which they have no control, every little economy which can be effected and which will make their labours more profitable will be acceptable. The only surprising feature is that those members who knew that this system was in existence for so many years should have hesitated to protect the growers.

Mr. Doney: This is about the hundredth attempt.

Mr. MARSHALL: I cannot boast of possessing much knowledge of the intricate problems associated with the handling of wool. Had I known that the system was in existence, I certainly would have moved for its prohibition, and I am surprised that representatives of the primary producers should have allowed this anomaly to continue for so many years.

Hon. P. D. Ferguson: They could not get uniform action throughout Australia. That was the trouble.

Mr. MARSHALL: I do not believe in being a copyist. A Bill of this kind should have been introduced many years ago.

Mr. Doney: It is a Commonwealth-wide matter.

Mr. MARSHALL: Our wool is as valuable as our wheat. Our wool is of a quality which can be procured nowhere else and buyers have to come here for it. They cannot obtain wool of equal quality anywhere else in the world. I regret that the Commonwealth have permitted the possibility of similar wool being produced elsewhere by allowing the export of stud stock to foreign countries. That, however, is beside the present issue. If there is any other form of exploitation being indulged in, I hope the representatives of the primary producers will not hesitate to take action for their protection.

MR. WATTS (Katanning) [7.33]: The member for Murchison (Mr. Marshall) appears to imagine that representatives of the primary producers in this State have never contended until, shall we say, quite recently that this iniquitous imposition upon the woolgrowers should be removed. In order that he may have some general knowledge after this debate, if he has not had the opportunity to acquire it at any prior time, let me inform him that over a period of many years there have been agitation and definite efforts in many directions throughout Australia to have this imposition removed by legislation. But what was the use

of removing it in Western Australia alone if the whole of the other wool markets of the Commonwealth still retained it to the advantage of those who bought wool there, for, to a large extent, they were the same people who bought Western Australian wool? So it was not until unanimity could be obtained between the States—

Hon. W. D. Johnson: It was not a question of unanimity between the States. It was a question of getting the Commonwealth to move in the matter.

Mr. WATTS: That is so. And it was not until there was also a prospect of other wool-producing countries of the world coming in that it was worth while bringing down legislation of this kind. While some of us might have some belief in private enterprise, I do not think we would stand behind a proposition which, in effect, bordered on dishonesty, and I consider that the draft on wool, the subject of this Bill, has bordered on dishonesty. But like many other things it had the virtue of antiquity: it was an ancient custom, just as the Royal Commissioner pointed out that moneylending had the background of antiquity to help it along. Because of that background, it has been very difficult to bring this legislation forward. It is certainly overdue, and it is certainly going to be of great benefit to those who are engaged in woolgrowing. The member for Irwin-Moore (Hon. P. D. Ferguson) mentioned that £370,000 would be gained by the wool producers of Australia as the result of the passing of this legislation. I should like to point out to the member for Murchison with respect to his remarks about bankers that whatever may be their views on other subjects, the bankers of this country would be only too glad to find the woolgrowers with a further £370,000 in their possession, which would pay interest at 5 per cent. on £7,500,000 advanced to them. Hence the hon. member need not worry on the score of the bankers being likely to resent the measure now before the House.

Mr. Marshall: Bankers will do anything to get a profit.

Mr. WATTS: Bankers and buyers should not be confused. I hold no brief for either of them, but it seems to me the hon. member was on the wrong track. There is no doubt that legislation of this kind is long overdue, and because it will confer a necessary benefit, obtained after a long period of agitation on the part of the woolgrowers of this country,

I have pleasure in supporting the second reading.

HON. W. D. JOHNSON (Guildford-Midland) [7.37]: I congratulate the Minister on having introduced this legislation to do away with an unfair impost levied on wool over a considerable period. I have been associated with an organisation that has maintained a persistent agitation to get the impost removed. While it is true that the Eastern States have at last taken an active interest in the matter, we have to give the credit, in my opinion, to the Ministers for Agriculture of this State who have acted on behalf of the Co-operative Federation that made the early representations. They brought the matter prominently forward, ultimately secured the support of Ministers in other States, and then finally introduced it at the Premiers' Conference, where the proposal was approved. After considerable representations, it was decided to take action, and this uniform legislation was resolved upon.

Hon. P. D. Ferguson: The Agricultural Council were responsible for it, more than the Ministers for Agriculture.

Hon. W. D. JOHNSON: I know that representations in the first place were made by the Co-operative Federation.

Hon. P. D. Ferguson: Who formed the Agricultural Council?

Hon. W. D. JOHNSON: I am grateful to those who assisted in having the Bill introduced. As one who has been associated with the agitation to have the draft removed, I know that the present Minister for Agriculture and his predecessor took a very active part in making representations, and we received quite a lot of encouraging letters from them. The hold that the marketing organisations have over wool is not limited to this draft allowance, so-called, but they seem to disregard altogether the position of the producers of wool. The Wool-brokers' Association and shipping combinations seem to join together to arrange what shall be charged and what shall be done, with a total disregard for the welfare of the man who produces the commodity that is carrying all these unfair imposts.

The Minister for Agriculture: They get a lot of encouragement from the Federal Government.

Hon. W. D. JOHNSON: The organisation which started this agitation for the removal

of the draft allowance is endeavouring to secure a reduction in the overseas freight upon wool. We find very great difficulty in convincing those in authority, who should be behind us in our desire to improve the lot of the producers, that people are constantly exploiting the producers with respect to the marketing of these main products of Australia. There is very grave danger that through the influence of the Commonwealth Government there is going to be interference with regard to an offer that is being made by the co-operative movement to reduce the freight on wool. All kinds of threats are being made as to the action that will be taken if the organisation concerned persists in its shipping activity, and in bringing about this reduction. It has been said that even a boycott will take place, though I cannot believe that. I do not think the buyers of wool would go to the extent of venting their objection on the producers of the country on behalf of the shipping combination. If they do I say that another Parliament will have to become very active. If the shipping combination is to have power to influence buyers, and buyers are going to be boycotted, the position will become not only serious but alarming. We shall soon know where we are. The Commonwealth Parliament should appreciate what is being done for the producers in the matter of wool freight reductions. They should encourage that reduction rather than assist the endeavour to prevent it. I am glad this measure of reform has been introduced. If an attack is going to be made upon the co-operative movement in its efforts to reduce freights on overseas wool, I say with confidence that the same assistance will be rendered to that organisation as this Bill is rendering to producers to-night. I do not mind the agitation, but if anything in the shape of a boycott is attempted, I will soon take an opportunity to expose it in this House. I believe that Parliament would see that our producers did not suffer because a combination of buyers threatened that if they could not get their own way, they would have the power to prevent the producers from taking advantage of the reduced rates when these come about.

Mr. Marshall: Such a thing could not have been done if the Commonwealth had not sold their line of steamers.

Question put and passed.

Bill read a second time.

In Committee

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

BILL—TRADE DESCRIPTIONS AND FALSE ADVERTISEMENTS.

Second reading.

Debate resumed from the 5th September.

MR. WATTS (Katanning) [7.45]: Generally speaking the Bill is one which most members will be able to support. It provides for the better control of the sale of certain goods specified in the schedule, and other goods which may be dealt with by proclamation. The measure also provides for the prevention as far as possible by legislation of false representation by advertisement, not only in newspapers, but also by various signs, publications, and pamphlets that may be used or issued in connection with the sale of shares, land, and other things. One objection I have to the Bill as drafted is that the Government may by proclamation add to or subtract from the descriptions of goods contained in the schedule of the Bill. If I understand them aright, proclamations are such that this House has no jurisdiction over them. In other words, the question of what goods shall be included in or excluded from the schedule from time to time would be in the hands of the Executive Council, upon whose advice the Government will act, and in consequence it will be largely in the hands of the Minister controlling the department. Whilst of itself that may not be a bad provision, I think that actually it is a principle that ought not to be followed by this legislature. By regulation the same results can be achieved, and the regulations must be laid on the Table of the House, when they are subject to the wishes of the House as to their continuance or otherwise. I understand that no such provision exists in connection with any proclamation made by His Excellency or the Executive Council. In this Bill regulations should be made use of in lieu of proclamations. They would have the same effect, but would be subject to the wishes of the House. We should be careful not to extend the system of government by proclamation. It is becoming rather more popular than it was, but I do not think we should extend the principle any further than

we have done. So far as is possible Parliament should have control over any legislation that has been passed by Parliament. Under this Bill the schedule may be amended by proclamation. In my view the reference to proclamations should be taken out and replaced by a reference to regulations. With regard to false advertisements, I notice that publication is defined only in regard to things which are written in some way or other. They may be in the newspaper, or in the air, or on hoardings and advertisements of that kind, or possibly in pamphlets which are distributed. In my experience one of the worst kinds of representations that are made in regard to the things which the Bill seeks to deal with are those which are made verbally. In my experience those who are endeavouring to sell, shall we say, shares in doubtful companies, especially in the country areas, do not as a rule advertise their wares in newspapers, and they frequently fail to distribute any pamphlets. They do not put up hoardings. But they do at every possible opportunity and on every possible occasion tell those with whom they come in contact, by word of mouth, the virtues of the propositions they have to put up. In moving the second reading the Minister told us that there was nothing, prior to this Bill being brought forward, in the legislation of Western Australia which dealt satisfactorily with this question of false descriptions and so forth. In my opinion, while we are on this legislation we should certainly consider whether or not it is advisable to insert provisions to make verbal statements which the persons making them either know are not true or know to be false, punishable, in order that those people who have been or may be induced to buy shares and other wares of that nature on such verbal representations may have the satisfaction of knowing that the persons making those false or known untrue statements can be punished, while they themselves, of course, could not afford the only alternative offering—to take action in some civil court. There is also the clause providing that it shall be a defence to prove that there was reasonable ground to believe that the statement made was true, or that the defendant had no reason to suspect that it was false, or that he had otherwise acted innocently. If he had reasonable ground to believe, and did believe, the statement to be true, and had no ground to

believe that it was false—if neither of those defences is open to him—how otherwise could he have acted innocently? It seems to me that the inclusion of those words in the Bill only invites defendants to charges brought under the law, if it comes into operation, to bring forward some extraordinarily vexatious, shall I say, defences. In my view the reference to the third-line defence, that otherwise he had acted innocently, might reasonably be deleted from the proposals of the Bill. Turning now to the powers of inspectors. Inspectors under the Factories and Shops Act are to have power under this legislation. We find that they are entitled to take possession of goods if they have reasonable suspicion that they are those which have been dealt with in regard to untrue description or anything else which the Bill covers, and constitute, or are likely to cause, a continuance of the offence against the measure—that is how I understand it. When those goods have been taken possession of by the inspector, he is entitled to hold them until he makes up his mind whether he is going to take any action against the person owning them or in whose possession they were. Later in the Bill the inspector is allowed 12 months in which to take proceedings, instead of the six months, I think, provided by the Justices Act. It seems to me that to allow an inspector to take charge of a man's goods in the circumstances I have mentioned, and to place no limit upon the period for which he is able to hold them before commencing any action—except, of course, the time limit of 12 months—is a little unreasonable. If the inspector cannot make up his mind one way or the other in a lesser time than that mentioned, the Bill should definitely provide for some time in which he must do so. From my point of view, a month would be ample time in which the inspector could make up his mind as to whether there was any offence of which he ought to take cognizance. Another part of the Bill which appears to me objectionable is that the inspector in the course of the inquiries he will necessarily have to make may require any person who he has reason to believe is employed by the owner or the person in possession of the goods, or who he has reason to believe has been employed within six months previously to that time—presuming he is not

employed at the time in question—to answer any question that he may put to him in regard to the goods—where they were obtained, and other inquiries that might be necessary. It seems to me that it is enough to empower the inspector to enforce answers from those who are in the employ of the person concerned, without going back among those who have left that person's employment during the preceding six months. I regard the provision as it stands at the present time as dangerous. It is not always that those who have left a man's employment have left it without friction. Sometimes the circumstances in which a man leaves his employment do not cause the best of terms to exist between him and the employer. It may be that a power such as this could be made use of, not by the inspector, but by the person concerned as a former employee, to work some unnecessary hardship on the man who is at the time in conflict with the inspector. So far as I see, sufficient information could be obtained from those in the employ of the person concerned at the time of the inquiry. I do not think we need to go beyond that. I observe that pretty well the whole, if not the whole, of the clause I am now considering has been extracted from the State Manufactures Description Act of 1931. The same provision, I admit, exists in that Act. But because it is there it is, so far as I am concerned, no less objectionable when appearing in this Bill. In my opinion the reference to that power to take advantage of previous employees should be deleted from the Bill. I made reference just now to the fact that the time for prosecution as provided in the Justices Act is by this Bill being extended to 12 months. In my view six months should be ample. I consider it would be reasonable if the provision extending the period were deleted from the Bill. So far as I see, the Bill, speaking generally, is an excellent attempt to deal with a problem which, I realise, has for some considerable time been exercising the minds of those concerned in these matters. We are aware it is vitally necessary that when a person goes to buy goods he shall get that which he intends to purchase. It is no use to the buyer, nor can I see that it can be of any use to the honest vendor, that goods should be available for sale that do not comply with the description

given to them or indicated by the label or otherwise. We should not expect to receive cotton goods when we ask for wool, as the Minister indicated, nor do we desire any substitute for an article we may require and may be prepared to pay for. It is unfortunate that it should be necessary to bring legislation of this description before Parliament. On the other hand, it is equally unfortunate that there should be those who are prepared to misrepresent their wares to the general public and palm off on buyers goods that do not contain the constituents allegedly embodied in them. Much as we regret the circumstances, we know that unfortunately these things are happening every day. With regard to the false advertisements, which are referred to in the second part of the Bill, there is no question that something to limit the activities of the persons concerned must be done if we are to give protection to those who have no business experience and are not well acquainted with the conditions in the commercial world, particularly in some directions in which it is essential that they shall be saved from unnecessary losses when they themselves are perfectly bona-fide, and "go-getters," as the Minister mentioned, are out for the purpose of taking them down for any spare cash they may have. Subject to the amendments I have mentioned, I have much pleasure in supporting the second reading of the Bill.

Question put and passed.

Bill read a second time.

House adjourned at 8.3 p.m.

Legislative Council,

Tuesday, 15th September, 1936.

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

DEMISE OF KING GEORGE V.; ACCESSION OF KING EDWARD VIII.

Message from His Excellency.

The PRESIDENT: I have received the following letter from His Excellency the Lieut.-Governor:—

Government House, Perth,
15th September, 1936.

Dear Mr. President,—I have to inform you that the addresses passed by both Houses of the Parliament of Western Australia on the first day of the present session have been forwarded to the Right Hon. the Secretary of State for Dominion Affairs for presentation to His Majesty the King. (Signed) James Mitchell, Lieut.-Governor.

QUESTION—MUNDARING WATER.

Supplies and Revenue.

Hon. H. SEDDON asked the Chief Secretary: 1, What was the quantity of water drawn from Mundaring Weir during each of the last two years? 2, What quantity was supplied to (a) the Goldfields; (b) Goldfields Mining Trust; (c) country towns; (d) farming areas, during each of the same periods? 3, What quantity of water was unaccounted for? 4, Will the Minister supply a tabulated statement showing the particulars of water supplied to, and revenue received from, various districts similar to that included in the annual reports of 1924, etc., for the two years referred to?

The CHIEF SECRETARY replied: 1, 1934-35, 1,767,000,000 gallons; 1935-36, 1,940,000,000 gallons. 2, (a) 1934-35, 811,000,000 gallons; 1935-36, 1,018,000,000 gallons. (b) 1934-35, 321,000,000 gallons; 1935-36, 453,000,000 gallons. (c) and (d) 1934-35, 711,000,000 gallons; 1935-36, 715,000,000 gallons. 3, Nil. 4, Yes; the necessary information is now being collated.