

Legislative Assembly,

Thursday, 17th November, 1938.

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

QUESTIONS (3)—RAILWAYS.

Workshops Manager's Leave.

Mr. STYANTS asked the Minister for Railways: 1, What amount of accumulated and pro rata long service leave respectively is due to the manager of the Midland Junction Workshops, Mr. R. W. Johnston? 2, What amount of accumulated and current annual leave respectively is due to him?

The MINISTER FOR RAILWAYS replied: 1, Nil and 72 days. 2, Nil and 16 days.

Sleeping Berths, etc., Great Southern Line.

Mr. SEWARD asked the Minister for Railways: 1, Is it intended to alter some four-berth sleeper coaches into two-berth sleepers for use on the Great Southern line? 2, If so, will the altered coach provide a washing bowl in each compartment? 3, How many coaches is it intended to alter? 4, What is the estimated cost of altering each coach? 5, What is the cost of an A2 type of coach?

The MINISTER FOR RAILWAYS replied: 1, The matter is under consideration. 2, Yes. 3, Four. 4, Estimated costs not yet finalised. 5, £5,739.

Refreshment Room, Kalgoorlie.

Mr. SEWARD asked the Minister for Railways: 1, Is the refreshment room at the

Kalgoorlie railway station controlled and carried on by the Railway Department, or is it let to a tenderer? 2, If the latter, who is the lessee? 3, Were any complaints received by the department regarding the dinner served up on Friday night, the 4th November? 4, If so, were they investigated, and with what result?

The MINISTER FOR RAILWAYS: replied: 1, Let to a tenderer. 2, T. Gorman. 3, No. 4, Answered by No. 3.

QUESTION—POLICE.

Successful Prosecutions for Stealing.

Mr. WATTS asked the Minister representing the Minister for Police: 1, Are figures available showing the number of persons convicted of stealing during the last three years in all courts in the State? 2, If so, will he inform the House of the number so convicted in each year?

The MINISTER FOR AGRICULTURE replied: 1 and 2, The figures are published in the Annual Report of the Commissioner of Police and the Statistical Returns issued by the Government Statistician, and are classified as stealing, stealing as a public servant, horse stealing, cattle stealing, sheep stealing, stealing with violence, stealing from the person, breaking, entering and stealing, etc.

QUESTION—BARTER TRADE WITH GERMANY.

Mr. SAMPSON asked the Minister for Agriculture: 1, Is he aware that Germany does considerable trade with several nations by direct barter? 2, Has his attention been drawn to a paragraph in "The Primary Producer" (Sydney), dated the 4th November, 1938, reading:—"Germany's barter trade agreement with South Africa, which expired on the 31st August, is to be renewed. The experiment whereby payments for German goods bought by South Africa are offset by German purchases in South Africa started in 1934. This trade has since developed to such an extent that the agreement covers trade amounting to £5,680,000 and Germany buys more South African wool than does even Great Britain"? 3, Will he give consideration to the matter with a view to making appropriate representations to the Federal Minister for Commerce so that a survey of

the possibilities of trade by barter with Germany in respect of Western Australian wheat, wool, meat, fruit and other primary products may be undertaken?

The MINISTER FOR AGRICULTURE replied: 1, 2 and 3, Yes.

QUESTION—BOYA QUARRY.

Blasting Operations.

Mr. SAMPSON asked the Minister for Mines: 1, Is he aware that blasting operations at the Boya quarry are proving painfully trying to residents in the vicinity? 2, Further, does he realise that the increasingly severe explosions are having a very bad effect on buildings in the locality, walls and foundations being threatened because of the heavy concussions which occur? 3, Do existing regulations or other legislation prescribe maximum charges for blasting or quarrying in the Eastern Hills Districts and, if so, is the law observed at the Boya State Quarry? 4, Will he advise what is proposed to be done, and will he insist on the charges of fracture being reduced sufficiently to ensure that injury to health and damage to buildings are no longer brought about by State quarrying operations?

The MINISTER FOR MINES replied: 1 and 2, No. 3, The Acts and regulations administered by the Department of Mines do not prescribe any maximum charges for blasting and quarrying. 4, The matter is one which should be referred to the local governing authority.

BILLS (2)—FIRST READING.

- 1, Stamp Act Amendment.
- 2, Bookmakers Betting Tax.

Introduced by the Minister for Agriculture.

LOAN ESTIMATES, 1938-39.

Message.

Message from the Lieut.-Governor received and read transmitting the Loan Estimates for the year 1938-39 and recommending appropriation.

In Committee.

The House resolved into Committee to consider the Loan Estimates, Mr. Sleeman in the Chair.

Note—Departmental, £105,179:

THE PREMIER AND TREASURER

(Hon. J. C. Willecock—Geraldton) [4.38]: In submitting the Loan Estimates I do not propose to go into a detailed explanation of the works carried out last year or those contemplated this year. That information can be obtained by members from Ministers in control of the various departments when the items are being discussed. I shall confine my remarks to a general outline of the Government's policy in respect of loan expenditure, and give a summary of the expenditure last year and the proposed expenditure for this year. The amount of loan moneys available to the Government is determined by the Loan Council, which is guided in its decisions as to the sums to be borrowed very largely by the advice of the Commonwealth Bank.

When introducing the Loan Estimates last year I stated that for the past few years there had been a decided tendency to reduce loan expenditure throughout Australia. This year that tendency has been continued, and our approved programme for 1938-39 is the smallest since 1931-32, when we were in the depths of the depression and the loan market was practically closed to us. Last year the programme approved by the Loan Council was £2,000,000, whereas this year it has been reduced to £1,670,000, or a drop of £330,000. One of the factors that has tended to reduce the State's share of loan funds has been the demands of the Commonwealth for defence requirements. In contradistinction to the experience for some years past, the Commonwealth has taken for its own requirements a fairly large share of the loan funds available. When the loan was floated last May for the completion of the States' programmes for 1937-38, an amount of £4,000,000 was added for defence expenditure. While it is essential that the legitimate defence requirements of the Commonwealth shall be met, it is unfortunate if the money to meet them can be secured only at the expense of the necessary developmental needs of the States.

The total loan expenditure of the Commonwealth and all the States for the year ended the 30th June, last, was £16,835,000, which included £2,500,000 borrowed by the Commonwealth Government for the adjustment of rural debts. That money was handed over to the various State Govern-

ments, which acted as agents for the Commonwealth in the distribution of the funds. For this year the approved programme is £14,000,000, including the requirements of the Commonwealth for rural debt relief, namely, £2,000,000, and this represents a reduction of £2,835,000 as compared with the previous year. As members will have observed, the allocation for expenditure on rural relief, spread over all the States, has this year been reduced by £500,000.

Since 1929, apart from a small amount borrowed during the last financial year by the Commonwealth for defence purposes, a loan for the Sydney Water and Sewerage Board and our own requirements for the State motor vessel "Koolama," no loans have been raised overseas. The whole of the requirements of the State has been provided by means of internal borrowings.

Hon. C. G. Latham: That was not new money.

The PREMIER: No, the money was raised internally.

Hon. C. G. Latham: What about the money the Federal Government obtained for defence purposes.

The PREMIER: That is the point I have just mentioned. While the restriction of borrowing from the standpoint of State funds has certain decided advantages, it is doubtful whether developmental work can be financed, together with heavy expenditure on defence, from the funds available to us. Obviously the position cannot be improved materially by transferring to revenue certain items now charged to loan, because substantial relief to the loan funds could be given from revenue only by the imposition of additional heavy taxation. The effect of raising such taxation must necessarily tend to dry up the flow of savings, which provide the pool from which the loans can be raised. If we extract more from the people by way of taxation and use that money for revenue expenditure, it will mean that the savings of the people will be withdrawn from various avenues and the public will not be able to subscribe to internal loans as they have during the last few years. I think that would be rather disastrous. While, unfortunately, defence expenditure is necessary, it has to be recognised that much of it is unproductive and is justified only on the grounds that were that expenditure not incurred, there might be a danger of the productive assets, already created,

being destroyed. From one standpoint, therefore, defence expenditure can be regarded in the light of an insurance policy. There are assets of value and therefore provision is to be made by way of insurance as a safeguard against their being destroyed. Defence expenditure is necessary for that reason, but it does not add to the productive capacity of the country.

Hon. C. G. Latham: Much of the expenditure goes in material, and little in labour.

The PREMIER: Yes. Even when money is spent on the manufacture of guns, ammunition, the construction of barracks and so forth, all that expenditure does not add one penny to the productive capacity of the country.

Hon. C. G. Latham: That is so.

The PREMIER: Unfortunately, the expenditure is necessary from the standpoint of insurance, and must be provided so that we shall have a feeling of security regarding the future of Australia. If, therefore, heavy expenditure must be incurred for defence purposes, it is essential that the monetary machinery be overhauled in order that it may be made capable of providing the funds. The problem is made the more acute by the division of obligations under the Constitution for defence and development respectively. The former is the responsibility of the Commonwealth and the latter that of the States. For the attainment of a well-balanced economy, it is necessary that there shall be no competition for the funds required for the fulfilment of these obligations, and the Commonwealth and the States must co-operate in order that the best use be made of the loan moneys available. That has been the aim at the more recent Loan Council meetings. I must admit that the proposals are extremely nebulous, and have not got down to practical details. All that has been said at conferences between the Commonwealth Government and the State Premiers is that the States are prepared, as far as possible, to co-operate with the Commonwealth, but that if Australia is to progress, the developmental needs of the country will have to be provided with the necessary capital. When those needs come into competition with the requirements of the Commonwealth defence, an awkward problem arises. Most people will agree, however, upon the necessity for some defence expenditure. If some

of that expenditure can be devoted to the development of the States, while at the same time serving the needs of defence, so much the better. There can be more co-operation in this respect between the Commonwealth and the States of New South Wales and Victoria than between the Commonwealth and Western Australia. In New South Wales and Victoria railways will be duplicated and put in a safe position, and this work will be very valuable from the standpoint of defence. This year, however, the States must undertake the very difficult task of endeavouring to carry out essential loan works with less funds. As most of the States try to provide for the relief of unemployment by carrying out public works financed from loan moneys, and as the numbers of unemployed have not continued to fall at the same rate as the decrease in loan funds, the problems confronting State Treasurers are acute. I am aware that the policy of public works for the relief of unemployment is criticised by some people; but in my opinion there should be no hesitation on the part of any community to borrow for the purpose of providing work for those who cannot obtain employment in private enterprise. Members will agree with me that nothing can be more demoralising than continuous unemployment, and that to keep men in idleness for a day longer than is avoidable is a social crime that no community should tolerate.

A public works policy of unemployment relief must, of course, be applied intelligently and should contract when employment in private enterprise is brisk, expanding when private investment is weak.

Hon. C. G. Latham: If money is not available for private investment, is it available for the Government?

The PREMIER: Money is always available for private investment. Because of lack of confidence in the future, however, investors prefer to place their money in a bank on fixed deposit or to subscribe to Government loans.

Hon. C. G. Latham: So they get someone else to invest it for them.

The PREMIER: Yes. They are not prepared to take the risk of investing their money in private enterprise. At the start of our depression years, millions of pounds were available in Australia for investment, but no one then wanted to borrow money.

Some of the banks even refused to accept money on fixed deposit, as they had ample funds. Investors were therefore forced to subscribe to Government loans. I think that some £4,000,000 or £5,000,000 was raised in Australia at a little over 3 per cent.

Hon. C. G. Latham: Is not that a bad sign?

The PREMIER: Yes. Consequently, the Government found it necessary to expand its borrowing programme in order to keep people employed. In 1932-33 the borrowings by the Commonwealth and States amounted to £16,500,000. This increased to £27,000,000 in 1934-35. Following upon an increase in private employment, borrowings have dropped since that year until they fell to £14,500,000 during the last financial year. With the drop in the national income due to the decline in the prices of some of our exports, it may be necessary to extend State loan expenditure. Less money will be available and consequently, if we wish to keep our people in employment, the Commonwealth and the States will have to embark on extended loan expenditure.

Hon. C. G. Latham: Do you think you will get the money?

The PREMIER: Yes, I am positive.

Hon. C. G. Latham: Are you positive you can get more money?

The PREMIER: I am. Credit facilities will be available.

Hon. C. G. Latham: I am not talking about credit facilities. I doubt whether you can get the money. I think the banks are lending all they can.

The PREMIER: The Commonwealth Bank and the Associated Banks advised the Loan Council that ample funds were available for investment. Neither the Commonwealth Government nor the State Governments desire to compete for money that can be employed reproductively by private enterprise. We therefore agreed, more or less willingly, to a reduction in loan expenditure and found we could carry on much better. Notwithstanding the unfortunate drop in prices of primary products—and that has not yet affected us very seriously—the condition of the State to-day is better than it was three or four years ago, when the Commonwealth and the States spent the peak amount of £27,000,000. However, if our income is reduced, we shall again have to revert to loan expenditure, but that is a problem rather for the future.

It is increasingly difficult to make the two purposes coincide with the funds available, because unfortunately some of the most desirable works, from a developmental viewpoint, are the least attractive as regards employment. I have a table of figures which show the rise in cost of unemployment works during the past six years. The table relates to the cost per man per week, and is as follows:—

Year.	Wages.			Other.			Total.		
	£	s.	d.	£	s.	d.	£	s.	d.
1932-33 ..	2	14	7	1	8	2	4	2	9
1933-34 ..	2	17	9	1	18	9	4	16	6
1934-35 ..	3	1	8	2	13	10	5	15	6
1935-36 ..	3	6	7	3	4	4	6	10	11
1936-37 ..	3	10	4	3	14	2	7	4	6
1937-38 ..	3	14	8	3	1	3	6	15	11

The reduced cost last year as compared with 1936-37 was due to two factors. In the earlier year, the Railway Department carried out a fairly extensive re-laying programme, in which the cost of materials was heavy. This work was completed in the year, and no comparatively expensive work was done in 1937-38. For instance, the Railway Department re-laid the Wongan Hills line with heavier rails.

Hon. C. G. Latham: Were the rails on that line not always 60 lbs.?

The PREMIER: No, originally the rails were 46½ lbs. Sixty-lb. rails have been laid up to Mullewa, and on to Geraldton. We can now use the biggest engines in the State in the northern areas, and, consequently, carry bigger loads. The cost, naturally, was heavy, because the material was manufactured outside the State. A high cost is not a disadvantage when the work undertaken is fully reproductive, and the number of men to be provided with work is within the ability of the funds to meet; but when funds decline or reproductive work cannot be found, unless at inordinately high cost, the position becomes acute. There must be a constant watch kept on the avenues in which loan expenditure is incurred in order to see that as far as possible those avenues lead to reproductive works. It is unavoidable, of course, in a young growing State such as ours, that part of the loan moneys must be applied to undertakings which in themselves are not reproductive. With local authorities, we have been constructing roads on a proportionate basis; that is, we have been finding some of the money and the local bodies have also found some.

Hon. P. D. Ferguson: That scheme is not in existence to-day.

The PREMIER: No; fortunately we have not had to resort to that lately. Western Australia has already spent well over £850,000 a year in road construction alone, and that is as much as should be necessary in a State like ours.

Hon. C. G. Latham: But roads are not constructed out of loan money.

The PREMIER: No. The road requirements are met by an expenditure of £800,000 a year.

Hon. C. G. Latham: You had better not say too much about that, because the money comes from the petrol tax.

The PREMIER: And the petrol tax is paid mostly by the people. Years ago the Commonwealth recognised the justice of our claim because of our huge area, and so we were given consideration by way of increased payments from the petrol tax. That money is contributed by the people, and we must admit that those who have paid the tax have received excellent value, not only from the standpoint of comfort and convenience but also because of reduced wear and tear of vehicles. There has also been a considerable saving of time for those engaged in business as a result of the road construction work that has been carried out.

Hon. P. D. Ferguson: And the scheme proved helpful to the local authorities.

The PREMIER: What was helpful to the local authorities here in contradistinction to the position of local bodies in the other States was the fact that in Western Australia they got all the money. New South Wales took about a million from the petrol tax for its own use, and South Australia, I believe, took £300,000 or £400,000.

Hon. P. D. Ferguson: We do not always follow those States in their mistakes.

The PREMIER: The whole idea regarding municipal or local government was that those bodies should carry out necessary road construction in their own districts, and not touch main roads. Nearly all the roads built by the local bodies within their own borders have been paid for out of fees that those local bodies have obtained from vehicular licenses. Quite a number of country cars come into the city, and from the registration plates we can see that there is a considerable increase in numbers. Only to-day I saw a Kalgoorlie car, and its number was as high as 1300.

Hon. C. G. Latham: And you will probably see quite a number of Perth cars on the goldfields.

The PREMIER: I have no doubt that is so. Not only do the local authorities have money from the petrol tax spent in their districts, but they also have the advantage of the fees collected in the district being returned to them. That is not done anywhere else. I remember protesting against that principle when the proposal was before this House in 1931. However, the money was given to the local bodies. I favoured the principle that the central Government should get some proportion of those fees. Fortunately, the State is not now so hard up that it needs to make a raid on any of the money that goes to the local authorities.

Mr. Patrick: It is a good thing, too, that the Commonwealth agreement was renewed for ten years.

The PREMIER: Yes, it was a wonderful thing for Western Australia, and indeed for Australia generally. The Commonwealth Government takes two-thirds of the petrol tax, and we get one-third.

The Minister for Works: The Commonwealth shows a substantial profit on that.

The PREMIER: Under the arrangement we entered into with numerous local authorities for the improvement of the roads in their districts which do not come under the jurisdiction of the Commissioner of Main Roads, we provided the labour, and the local authorities supplied the material. This was mutually advantageous in that it provided work for men dependent on the Government, and improved the roads in the local authorities' areas. But it is not such as can be continued. Obviously, the responsibility for the maintenance of roads rests on the local authorities, and quite apart from the fact that a generous method for distributing license fees should provide those bodies with ample revenue, it is an undesirable practice for the central Government to relieve them of it. My desire is to show that this form of expenditure cannot be continued. The money raised by local authorities by way of traffic fees, local registrations and rates, as well as the money derived from the petrol tax, should be sufficient for the construction of roads and the Government looks askance at expenditure in this direction from Loan Funds, on which we have to provide interest and sinking fund.

Deliberately and with our eyes open we sometimes spend money to provide employment, but we are always anxious that it should be spent on something that will prove reproductive. Even if the work cannot be termed reproductive in itself, it may eventually lead to the production of wealth in the State. This can be said of the expenditure that was incurred at Harvey and Waroona six or seven years ago. The works there were not reproductive in the sense that we got interest and sinking fund from them, but the result was to increase the productive capacity of those districts. The effect has also been to increase considerably the capital value of the land there.

Mr. Stubbs: Shall we not get interest and sinking fund eventually from that expenditure?

The PREMIER: I think we shall. Last year the Minister for Works, realising the high cost of the undertakings there, considered it would be injudicious to impose a high rate immediately, but he did strike a rate which will nearly pay interest and sinking fund. This was fixed at 10 per cent., increasing by 10 per cent. in each of 10 years until the full amount of the rate is reached.

Mr. Stubbs: And the work has enhanced the value of the land?

The PREMIER: No doubt about it. In Waroona I saw land which four or five years ago could have been purchased for £6 an acre and which now was claimed to be worth £20 an acre. The people of the State should be pleased to know that the South-West, which for many years was under a cloud, is now producing a considerable proportion of the requirements of the State. Because I go down to a district and observe that good work is being done from a productive standpoint, I do not desire to rush back immediately and impose some burden on the district.

Mr. Stubbs: You can keep it in mind though.

The PREMIER: Yes, I might keep it in mind, but I do not wish to discourage anybody from doing good work such as is being done at present. People say that the expenditure of this money will not result in the repayment of interest and sinking fund, but such expenditure has tended to increase the productive capacity of the country to a tremendous extent, and in that benefit every citizen of the State shares. Some of the

work done cannot be reproductive. The ideal system would be that if we wanted to spend money on a work that was not likely to return interest and sinking fund, we should do it out of revenue or not at all; but we have not yet reached that ideal stage, though considerable advance towards it has been made. Public buildings such as hospitals and schools are not at all reproductive, but their erection is a social obligation. When the cost of such buildings is heavy, to attempt to find the money out of revenue for their erection is unwise. On the other hand, when those buildings are likely to last for many years, it is reasonable that the money should be borrowed and that interest and sinking fund payments should be met out of revenue so that the cost will be recouped over a period of time instead of in one year. Revenue should certainly be asked to bear the maintenance costs of these public buildings and, as far as possible, the capital cost also. When such costs cannot be met from revenue, we are justified in providing those social requirements from loan money. The expenditure on such assets must be limited of course to a reasonable proportion of the loan moneys available from year to year, otherwise the burden of debt would become too heavy and we would find ourselves in serious trouble. That efforts have been made by the Government to limit the loan expenditure on objects that are not fully reproductive, is evident from the following table:—

Loan Expenditure 1929-30 to 1937-38.			
Percentage Distribution According to Direct Productiveness.			
Years	Fully Reproductive.	Partially Reproductive.	Other.
1929-30 to 1933-34 ..	18%	45%	37%
1934-35 ..	46%	23%	31%
1935-36 ..	63%	14%	23%
1936-37 ..	60%	17%	23%
1937-38 ..	44%	32%	24%

The reduction in the percentage of expenditure on fully reproductive undertakings last year as compared with the previous year is due to additional expenditure in 1937-38 on railways, harbours and in the purchase of the new State ship. In the preparation of the table the term "reproductive" has been interpreted as applying to those undertakings the earnings from which are sufficient to meet interest and sinking fund charges. In a strictly economic sense this interpretation would not, of course,

apply. Some of the undertakings that are classified as partially reproductive may in fact be the most reproductive because they have been the means of increasing the productive capacity of the State to a value many times greater than the initial loan expenditure. For instance, in the last seven or eight years the amount of butter manufactured in this State—formerly about a million lbs. was produced—has increased 15 times. While all the money spent on the provision of the works that made such production possible has not been recovered, the productive capacity of the State has increased to that extent.

Hon. C. G. Latham: We are not sending that money out of the State.

The PREMIER: Some of it is still going out of the State, but not so much. As a matter of fact, some of the increased goods so produced are being exported. I do not want to be an advertising agent for the Murray-Wellington district, but I was interested to discover that up to 2,000 cases of condensed milk per week had been sent to the Eastern States in the last four or five weeks.

Again, some of the non-productive work undertaken from loan moneys has speeded up the development of mining. Mining is classified as partially reproductive, yet who to-day would deny that the loan expenditure on the development of mining in this State is exceedingly reproductive? Gold mining in the last six or seven years has increased to the value of £7,000,000, though admittedly not all of that increased production has been the result of the expenditure of loan money. Much has been due to the increased price of gold. Nevertheless a considerable proportion of the increased production has been due to the expenditure of money in the goldfields area from which we are not directly getting back interest and sinking fund payments.

Mr. Doney: What are the directions in which you spent money in the goldfields areas?

The PREMIER: I will tell the hon. member later; but one instance comes to mind. Norseman is one of the rising goldfields of the State. On that field a couple of years ago we spent over £60,000 in order to provide a water supply, without which the field could not have progressed. Last year we expended £3,000 in reticulation.

Mr. Doney: The same has been done at Wiluna, of course.

The PREMIER: Yes, and all over the place. When it is remembered that the value of gold produced this year was greater than the combined value of wheat and wool members will agree that the investment of a small part of the public debt in the development and assistance of the gold mining industry has been a wise move. The amount of money we have expended from loan funds on mining development is very small in comparison with what we have spent on land development.

The shortage in the direct revenue earnings, as compared with the charges for interest and sinking fund, is less than half the amount of special taxation yielded by the gold mining profits tax, and when we attempt to estimate the far-reaching economic gain to the whole State of the direct employment of thousands of men and of the distribution of most of the value of the gold won in wages and mining costs, we realise how much we are indebted to the gold mining industry for the degree of prosperity which to-day we enjoy. The Minister for Mines can tell the House that of the increased sum derived from gold production a little over £1,000,000 was paid in dividends, but the rest has gone in wages and in other maintenance costs incidental to production. Some five or six years ago when the present Government was in office only about 6,000 or 7,000 men were employed in the goldmining industry, whereas to-day the figure is between 17,000 and 18,000. The industry has thus proved of value to the Government by reducing the number of men for whom employment has had to be found.

Hon. C. G. Latham: The price of gold has gone up, too, has it not?

The PREMIER: Yes, and new goldfields have been opened up and new avenues for the absorption of labour thus created. Of course the introduction of labour-saving devices has reduced production costs on the goldfields. I was there not so long ago, and I notice that whereas at one time dozens of men were to be found above ground in and around the plant, to-day there are only about two or three. So that while a considerable amount of employment has been found as a result of the development of mining, the provision of labour-saving appliances has enabled gold to be produced economically and at a profit.

Another undertaking to which the remarks I have already made could apply, though unfortunately to a lesser extent to-day, is the assistance given to agriculture. I am well aware of the fact that, in the light of experience, expenditure on assistance to agriculture has been too heavy. If we were commencing a new agricultural policy we would pursue a different course. Much of our progress from a pioneering colony to a well-established State, however, is the result of a bold extension of agricultural development. I remember that when I was Minister for Railways I once said we could do with 30 per cent. less railway mileage and perform an equally adequate service for the people. There was also too much expenditure on group settlement. A good deal of the money was spent extravagantly and was wasted. If we had that money again to spend in the same direction we could develop the State for half the cost. Nevertheless the expenditure of money on such projects has been justified because new industries have been started and the productive capacity of the country has been increased. It is easy to say, "You have wasted money here and wasted money there," but the fact remains that the expenditure of the money has proved of value to the State. Although it is difficult to get back the money by direct payment, we must all derive some benefit from the increased productivity of the country.

Mr. Doney: Losses of that kind are inevitable in a new country.

The PREMIER: They always seem to occur; of that there is no doubt. We used to hear a good deal about the wonderful land on the southern rivers of New South Wales and the magnificent fertility of the soil in the northern districts. We heard also of the great productive capacity of some places in Gippsland. My opinion is that with the increased use of fertilisers, and the development of irrigation and drainage, the fertility of the soil in the South-West of this State will equal that of the fertile lands of the Eastern States that are capitalised at £60 or £70 an acre. It is gratifying also to know that people are beginning to recognise the productive capacity of the land, and that there is a demand for land. Many group holdings are being taken up by people anxious to get on land which has demonstrated its productive capacity as that land has done.

Mr. Doney: And land with a reliable rainfall.

The PREMIER: That is the outstanding factor. The rainfall is probably the most reliable in the world. There we can depend upon rain at certain seasons, whereas other countries at times have floods and at other times dry periods. That brings me to the fact that one of the pressing needs of the State is an adequate supply of water in areas removed from the heavy rainfall. Our greatest difficulty and severest handicap are the absence of a good water shed 200 or 300 miles inland. Actually our water shed is an average of 20 to 40 miles inland from the coast. All our areas of heavy rainfall are situated on the western side of it and the rivers carry that rainfall into the sea. We have to conserve that water, pump it over the hills, and convey it to the inland areas whose rainfall is much lighter than that on the coast. Temporarily water is provided by catchment areas in those districts, but during recent dry years those catchment areas have proved themselves totally inadequate.

Mr. Doney: "Totally inadequate" is the right expression.

The PREMIER: There is no dodging that issue. Then we get back to the old story. Shall we do the same as we have done in regard to group settlements? Can we deliberately, with our eyes open, undertake an expenditure of £4,000,000 or £5,000,000 knowing that the return we shall get from the investment of that money directly—I wish to emphasise the word "directly"—will be interest and sinking fund on only a quarter of the expenditure? We need an economic survey of the whole position. We must ascertain what benefit the water will be to the productive capacity of the land.

Mr. Doney: We cannot judge yet whether the scheme will be economically advantageous. We have no particulars of the scheme.

The PREMIER: Recently the Minister for works gave through the Press certain particulars of the scheme. Further particulars will be supplied. Neither the Minister for Works nor I nor anyone else can at this stage say what the return will be from the proposed expenditure.

Mr. Stubbs: Many farmers are dead against paying taxes.

The PREMIER: They remind me of the member for Murray-Wellington. Naturally, the farmers are opposed to paying taxes.

Member: Farmers are, all the world over.

Mr. Raphael: Members of Parliament are against it, too.

The PREMIER: If people can get out of paying taxes, well and good. The farmers in question have their own water supplies; but the supplies of other farmers have gone dry, and those farmers are left stranded. Many farms could carry twice or three times the stock they do carry if they had adequate and assured water supplies. Farmers are not game to buy stock in view of the risk with regard to water supplies.

Mr. Seward: That applies only in certain areas.

Mr. Doney: It does not apply in the Great Southern, where there is a great deal of water.

The PREMIER: But not sufficient.

Mr. Doney: Yes.

The PREMIER: Then why all the agitation for water supplies?

Mr. Doney: Because the water cannot be stored.

The PREMIER: Then it is no good to the farmers. Parliament will have an opportunity of discussing the whole matter in the light of what is intended to be done. When Parliament, with its eyes wide open, decides what is to be done in those districts, the Government will be ready to proceed. As at present we cannot see the end of the project, we are not justified in going on immediately. We have been criticised on the score of delay. In reply I say it is to be regretted there was not longer delay before Western Australia entered upon some schemes in its history. The "West Australian" said the Minister for Works and the Government had given an example of the acme of procrastination and of Marathon delay in this matter. However, irrespective of what anybody says, before we embark on a scheme involving the expenditure of £4,000,000, we are determined to have all possible information. Then, if with its eyes open Parliament decides to carry out the scheme, very well. But to start in, saying "We will discover later on what we can get out of it," would be unjustifiable. Better have a delay than be sorry for the rest of our lives.

Mr. Doney: Roughly, how much more delay may be anticipated?

The CHAIRMAN: I think the Premier had better not submit himself to cross-examination.

The PREMIER: For some time past the expert officers of the Government have been investigating proposals to provide adequate water supplies throughout the agricultural areas; and though some criticism has been made about the delay in publishing particulars of what has been done, I am satisfied that no undue delay has occurred. If there has been any delay, I am not sorry for it, and I do not think either the House or the country will be sorry. The scheme, I repeat, is estimated to cost £4,000,000.

Mr. Stubbs: If the cost is to be as much as that, the Bill will not pass both Houses.

The PREMIER: The hon. member looks only at his own district, but the scheme goes up as far as Dalwallinu and past Lake Grace and on to the other side of Merredin. It covers about 6,000,000 acres. It is a huge scheme which will make a tremendous difference to the country, but whether we can afford it is something that remains to be determined. The country east of Lake Brown is part of the scheme, as well as the areas southward to Gnowangerup, and east to Lake Grace, northward as far as Dalwallinu and on to districts east of Dalwallinu. It also reaches to Geraldton. The scheme represents a big question requiring a great deal of consideration.

Mr. Doney: Will it permit of being put into operation piecemeal?

The PREMIER: Yes, it will. That is one of the reasons why there has been some delay. We are now considering whether portion of the scheme shall be put in for the people who need it. If Katanning and Wagin do not want it, they will not get it. To convey an idea of the magnitude of the scheme to everybody, let me point out that its cost will be a tremendous liability to be carried by a population of less than half-a-million. The only scheme comparable to it is the goldfields water scheme, on which £3,000,000 was spent by a population of 200,000. We are less than half-a-million now, and here is a £4,000,000 or £5,000,000 scheme to be considered. It must receive a great deal of consideration. It will have to be tested from various angles, and time will have to be taken over that. I do not mind if another 18 months' investigation is given to it so long as we know where we are when discussing it. It seems inevitable that the people who will receive the water will not be able to pay for the scheme itself. Every-

thing depends on the attitude of Parliament with regard to the proportion to be debited to those people, and the proportion to be nationalised, or spread amongst the taxpayers of the State. The financial burden of the scheme is such that it will absorb a large proportion of the loan money available. In the meantime we must get on with a few little jobs that we have to do. When the State does embark on the big scheme, practically all the loan money available will be absorbed. The cost will be about £1,333,000 annually for three or four years. So there will not be much money available for other purposes.

Mr. Doney: The scheme will be a relief to the Minister for Employment.

The PREMIER: There is that aspect also. With those few introductory remarks I get back to the Loan Estimates.

Turning now to a consideration of the figures themselves, we find that the estimated loan expenditure for this year is £1,807,845, which compares with last year's actual expenditure of £2,315,004.

Railways and tramways last year absorbed £472,101, and this year's provision is £280,000, showing a decrease of £192,101. The reduction in the estimate for the current financial year is due primarily to the fact that expenditure and commitments for rolling stock and trolley buses were much greater in 1937-38 than what is required this year.

On additions and improvements to opened railways last year's expenditure was £134,925. The work consisted chiefly of re-ballasting, deviations and regrading, improvements to water supplies, installation of mechanical coaling plants, machinery for the Midland Junction workshops, and additions and improvements generally. The principal works were—Toodyay-Bolgart ballasting, Quairading-Mount Hardy deviations and regrading, Merredin-Southern Cross deviation and regrading, strengthening of bridges, Mullewa-Cue ballasting, and water supplies at Mullewa and Pithara. This year's provision, £200,000, is for work of a similar nature, and includes new dams and roofing of dams to increase existing water supplies so as to meet the demands of traffic. Mechanical coaling plants are being provided at various centres to replace existing coal bins and thus expedite loading arrangements and effect economy by reduction of handling costs and of costs of maintenance of present

structures. While it is gratifying that we shall have more of our rolling stock manufactured in the State, before one carriage or truck is available we must spend a large amount of money in providing the necessary machinery. Provision has been made for the balance of plant required at Midland Junction for the five-year rolling stock construction programme, and also for building additions needed for dealing efficiently and economically with the large amount of work carried out in the shops, more especially in maintenance and renewal of rolling stock.

For rolling stock the amount provided this year is £60,000, which compares with last year's expenditure of £203,860. Last year's amount included an expenditure of £54,000 on rail cars, besides commitments on other large items. The provision for the current financial year is intended to enable the department to continue with the rolling stock programme in order to meet the increasing requirements of traffic. The rail cars have been operating from various country centres since December last, and have proved very satisfactory from the viewpoint of the department and the public generally. The six months' operations have resulted in a surplus of £5,539, after meeting interest, depreciation and working expenses. The details are set out in the Commissioner's report for the year ended the 30th June last. I remember when we were discussing the subject of rail cars three or four years ago, it was agreed that it would be wise to spend this money. We have had experience of the cars, and our hopes, expressed at that time, have been realised by actual results.

Hon. C. G. Latham: They should have been purchased years before because we were losing all that traffic.

The PREMIER: There are many things we should have done years before. Perhaps we should have secured the trolley buses before.

Hon. C. G. Latham: I still think that the trolley buses represent a waste of public money.

Mr. Marshall: Can the Premier tell us whether the trolley buses will be taken to South Perth?

Mr. Cross: That would be a fine proposition.

Mr. Marshall: It would be better if we had a trolley bus service from the town of Wiluna to the mine.

The PREMIER: Events have fully justified the installation of the trolley buses. I know that the Leader of the Opposition will never agree that the Government acted wisely in this direction; public support, however, proves that this form of transport is appreciated.

Mr. Doney: Have the buses had a detrimental effect on the tramway system?

The PREMIER: No.

Mr. Seward: What about the suburban railway traffic?

Hon. C. G. Latham: It cost a good deal to remove the tram rails from Stirling-highway.

The PREMIER: I know that the traffic has more than doubled itself since the inauguration of the service. That proves that there was need for the change.

Mr. Cross: And the buses can be run for 6d. or 7d. per mile less than it costs to run the trams.

The PREMIER: A few words about electricity supply. Last year £30,000 was provided to meet commitments in connection with the new "B" station. The total estimated cost is approximately £662,000 and the expenditure to the 30th June, last was £538,050. As final payments will not be made until 12 months after the new unit has been taken over, loan funds will not be required this year. Trials are at present being made and it is expected that the station will be in operation on the 1st January next.

On the subject of harbours and rivers, the expenditure last year was £92,167, and the estimate for the current year is £97,500. The construction of Victoria Quay and "H" shed was completed at the end of September, 1937. This work concluded the reconstruction of the whole of Victoria Quay, and the rearrangement and alteration to the sheds, railway tracks, roads, etc. Similar work is now proceeding on the North Wharf. Reclamation work on the Swan River foreshore was proceeded with and is being carried on this year, the local authorities concerned providing a proportion of the cost.

Hon. C. G. Latham: How much are you providing for that?

The PREMIER: It all appears in the Estimates. The local authorities are providing £5,000 or £6,000. Expenditure on the Point Samson jetty reconstruction was £24,392. This work has been completed and

the jetty was opened to shipping last February. An amount of £40,000 has been provided for improvements to harbours and rivers. A sum of £11,000 has been provided for work on the North-West jetties generally, including rolling stock.

On water supplies, sewerage and drainage throughout the State, the expenditure last year was £903,577, and the amount provided for 1938-39 is £911,500. As indicating the importance of these works, it is only necessary to state that half the loan money to be expended this year will be devoted to the undertakings under this heading. Regarding town water supplies, the expenditure during 1937-38 on the Geraldton water supply was £11,440, which included boring for water at Wicherina, reconditioning reticulation mains, extensions and improvements generally. This is the third successive winter of light rainfall in this area, and, as might be expected, resulted in a poor inflow of water. The result of this was additional boring which, together with the reticulation of the town, is proceeding in a very satisfactory manner.

Hon. C. G. Latham: Where are you putting the bore—at Wicherina?

The PREMIER: No, right in the town of Geraldton. Improvements to the town water supplies at Narrogin, Derby and Bridgetown were also carried out. At Narrogin the water position was very acute and necessitated improvements to the catchment area and the provision of pumping plant. An amount of £12,000 has been provided for the Brunswick town and railway water supply. The erection of tanks and wells on stock routes has also been provided for.

On metropolitan sewerage and drainage the expenditure last year was £235,977, while for this year the provision made is £334,000, an increase of £98,023. During the year sewerage works and stormwater drains were carried out in the different suburbs, and this work is being continued.

Improvements and extensions were made to existing mains in the metropolitan area. During the year satisfactory progress was made with the Canning Dam, the wall being raised to a height of 150ft., with a storage capacity of approximately 7,000,000,000 gallons. It is expected that by the 30th June, 1939, the wall will be 162ft. high, and the storage capacity will be 9,000,000,000

gallons. Thus we should be quite safe in respect of water supplies for the metropolitan area for some years to come. Up to the end of June, 1938, the expenditure on the dam was £712,728 and indications are that the work will be completed well within the estimate of £1,250,000. Indeed, we believe that the total cost will be about £100,000 under the estimate. Credit must be given to all those who have been associated with the undertaking and it must not be forgotten that a great deal of the work carried out there was performed by relief workers, men who had never had experience of that kind. The supervising staff and the engineers connected with this great work are also due for commendation.

For the goldfields water supply, provision made this year totals £195,000 as against £218,749 last year. The principal works carried out last year were—the completion of the reticulation of the Norseman town-site at a cost of £3,105; the provision at Northam of a new service reservoir of 1,000,000 gallons to improve the town supply; the cement lining of the reticulation mains of Northam, Beverley, Toodyay and Kalgoorlie was commenced; the mines main at Kalgoorlie was increased in capacity by replacing with 20in. cement-lined steel pipes, an equivalent length of 16in. cast iron pipes that had been in use since 1903, and which had become inadequate to supply the increased demand for water by the mines. The work of renovating the main conduit was continued. During the year 1¾ miles of new 30in. cement-lined steel pipes were installed and 29¾ miles of the original main were replaced by cement-lined renovated 30in. locking bar pipes. This work accounted for the greater part of the expenditure and will be continued during the current year. Besides reducing leakage and renovation costs very considerably, the work will ensure the useful life of the main being prolonged indefinitely. The cement lining of pipes for branch reticulation mains will be continued. Other works provided for include improvements and extensions to branch mains, service reservoirs and the usual extensions to town reticulations.

The expenditure on water supplies in other goldfields was as follows:—

	Last Year.	This Year.
	£	£
Eastern Goldfields ..	721	6,000
Murchison Goldfields ..	4,965	8,000
Pilbara Goldfields ..	—	500

The principal works last year were—improvements to Meekatharra water supply, provision of a water supply at Youanmi and boring at Big Bell. Provision has been made this year for reticulation of Big Bell townsite, improvements to Cue water supply, boring for water at Evanston and reticulations and extensions generally.

On water supplies, irrigation and drainage in agricultural areas we spent last year £117,214 and this year's provision amounts to £230,000. Last year the expenditure was on account of Collie and Waroona irrigation channel lining, and irrigation and drainage generally in the South-West, the provision of tanks in the agricultural areas, and this is being continued this year. The provision and improvement of water supplies to the goldfields, to which I have just referred, cover one of the main necessities in the development of mining. An illustration of this is afforded by the growth of the mining industry at Norseman.

In the development of the goldfields (apart from water supplies) the expenditure last year was £28,475, and this year a sum of £41,000 has been provided, an increase of £12,525. The expenditure last year was for purposes similar to those in previous years, being principally for assistance to prospectors, the erection and improvement of State batteries, and loans made under the Mining Development Act. The expenditure on assistance to prospectors was £5,856, of which £1,831 was repaid by the persons assisted. During the five years in which this scheme has operated we have advanced £98,986 and the repayments have totalled £18,764. The assistance granted has been supplemented by grants from the Commonwealth Government, of which last year the sum of £19,910 was expended. Up to the 30th June last, the amount of Commonwealth money advanced to prospectors was £79,734.

With the exception of £3,000 of Commonwealth money unexpended at the 30th June last, the State this year has to meet the full cost of assistance to prospectors, the Commonwealth grants having now ceased. A sum of £21,000 has therefore been provided for the purpose. The mining industry is of such importance, and has grown to so great an extent, that additional expenditure must be incurred to render the preliminary help necessary for the consolidation of new gold finds and the pro-

vision of additional battery facilities. Arrangements have been made to increase the size of the State batteries at Marble Bar and Mt. Magnet, and to provide a new cyanide plant at Coolgardie. When opportunity offers, generous assistance will be given as in the past, so that we may help the industry which has done so much for the development of the State, particularly during depressed conditions in other branches of production. Whenever requests are made to me for money, I shall have no hesitation in doing my utmost to supply the need. Western Australia owes a debt of gratitude to the mining industry for what it has done for the State.

The expenditure on the development of agriculture, forestry, etc., last year was £154,393, and this year we have provided £176,500, an increase of £22,107. The expenditure on abattoirs last year was £2,965, this being for additions and improvements to the establishments at Midland Junction and Kalgoorlie. The amount provided this year, £3,000, is for similar work. The item "Development of agriculture" is for reconditioning vacant holdings, land clearing at Wooroloo and Whitby Falls, settlement at Nannup, Nornalup and Albany, and experimental work and buildings on the Avondale and Wongan Hills State Farms. The expenditure last year was £81,294, and this year we are providing £94,500, this being for work of a similar nature. The expenditure of £8,471 under the heading of "Assistance to settlers, industries, etc." was for advances to pearlers and banana-growers, and a sum has been provided this year for a similar purpose. The amounts will not cover what we have already granted by way of assistance. We have advanced £15,000 or £16,000. I hope this will be returned before the end of the financial year, and for that reason it does not appear on the Loan Estimates.

Hon. C. G. Latham: That is for the pearling industry.

The PREMIER: To keep that industry going. The Minister for the Interior promised, after his visit, that the policy of providing a bounty would be adopted by the Federal Government. Unfortunately, owing to contrary influences, we do not know now what is going to happen. We hope that some assistance will be provided. Failing that, the outlook for the pearling industry will be anything but good. Unless

a large sum of money is made available, most of which will not be returned, it seems that the pearling industry will go out of existence. We intend to make a big effort to prevent this, but a fairly large volume of assistance will have to be given by the Commonwealth Government.

Last year the expenditure on forestry was £61,576, in addition to which we received £25,000 from the Federal Government as the final contribution under the Commonwealth Aid to Forestry Scheme. We are getting to the end of the assistance that the Federal Government renders to the State in respect of several different aspects of development. To provide employment, the Commonwealth gave £100,000 for forestry, and a considerable amount for mining. This year we reached the end of the grants provided by the Commonwealth. The requirements for defence are such that the Federal Government cannot continue to make money available to the States, and work that has been done with the help of the Commonwealth will now have to be carried out by the State. At any rate, the utilisation of such amounts as we have had has enabled an extensive programme of work to be carried out, including the regeneration of cut-over jarrah and karri forests, the establishment of mallet plantations, the maintenance and extension of pine plantations, and a considerable amount of road and fire prevention construction. A sum of £75,000 has been provided this year for the carrying on of this work. This is approximately £13,000 in excess of last year's expenditure, due to the termination of the Commonwealth grant.

The amount set down for roads and bridges is £50,966, but this includes £37,466 spent last year and charged to suspense, as there was not sufficient loan authorisation. The amount of new money, therefore, is only £13,500, and this is required to meet commitments left over from last year. So far as new works are concerned, I am hopeful it will not be necessary for us to incur any loan expenditure upon roads. If the necessity arises, we may have to do it for the purpose of finding employment, though I hope the outlay will be small. The expenditure last year was principally in respect of assistance to local authorities, under the scheme which I explained in my opening remarks.

A sum of £9,000 has been provided this year to continue the small loans scheme

inaugurated in 1933 under the administration of the Workers' Homes Board. No money has been provided for this for some time. When building was active, it was not the policy of the Government to continue finding money for this purpose. There is now some slight falling-off in building activity, and we are providing for an extension of the scheme, which besides assisting employment and being a convenience to the public, has been satisfactory from the financial standpoint. We have not lost any money provided under the small loans scheme.

The expenditure last year on public buildings was £81,084, and was for the erection of and additions and improvements to schools, police stations, courthouses, public buildings generally, the sewerage of public buildings, machinery for the Government Printing Office, and the Government's portion of the cost of the Infectious Diseases Hospital. The expenditure allowed for this year is £92,000. Included in the provision is a grant to the Hospital Fund to assist in meeting the cost of new buildings, including the fund's portion of the cost of the new King Edward Maternity Hospital. The Leader of the Opposition will recall that the cost of the upkeep of Wooroloo has been handed over to the Hospital Fund. This left the fund short of money with which to provide necessary buildings elsewhere, and we have found it necessary to make a grant to assist the fund.

An amount of £5,500 has been provided for water supplies on native stations, the purchase and reconditioning of settlements, and additions and improvements to native hospitals. The Workers' Homes Board has been given additional capital of £10,000, with which to augment the repayments of capital and assist in providing some of the housing requirements of the people. Considerable progress has been made with the rebuilding of Cave House at Yallingup. It is hoped to have this completed in time for the tourist season. The expenditure last year, including commitments already entered into, was £18,922, and £6,500 has been provided this year to complete the work. A sum of £3,500 has been allotted for the purchase of a new launch for the South Perth ferry service. The expenditure last year on the new ship "Koolama" was £215,325. Of this, £212,800 represented the balance of the purchase price paid in London. The re-

mainder, £2,525, was for legal and other costs incidental to the purchase. The provision of £12,000 this year represents the net cost of bringing the ship out, and preparing it specifically for the North-West service. The vessel, which made it first trip on the North-West coast last May, has been most successful in her running, and she is proving a great acquisition to the service.

This completes my story of our loan undertakings. It is, I believe, a story of steady progress towards the building up of a well-balanced economy, which must be our aim. The Government has a difficult task in deciding in which direction the limited loan funds at its disposal should be expended. We must of necessity refuse requests which, to those who submit them, appear reasonable and necessary, because of lack of funds and of more pressing needs in other directions. If we had unlimited funds, there is much work we could do. It is, however, essential to keep our expenditure in step with our progress, and it is probably to our advantage that we should exercise the greatest caution in choosing the works to be undertaken. In common with the early history of most countries, this State has concentrated on the development of primary industry. Although expensive from the standpoint of loan indebtedness, this policy has led to a solid and sound foundation being laid.

It is an axiom that no country can become really great without commensurate industrial progress in its secondary industries. One needs only to look at the history of Great Britain, America and, more recently, Japan, to realise that the power and influence of nations grow proportionately to their industrial development. Australia generally has made great forward strides in the last few years. If we in this State are to continue advancing our relative importance, progress and development, we must plan to have more diversified industries, preferably manufacturing more commodities that are necessary for our own requirements. With the establishment of a bureau of industry indicating where and how Government encouragement and assistance should be given, I am hopeful that in the years immediately ahead of us the Loan Estimates will be altered in principle so that we have a better-balanced development.

Although our primary industries have suffered a setback because of adverse seasonal

conditions, I regard that as only a passing phase, although serious in its consequences to the State. A still more serious aspect is the uncertainty of the prices that our commodities in the future will realise.

Hon. P. D. Ferguson: That may not be a passing phase.

The PREMIER: The adverse climatic conditions are a passing phase, but we do not know how far we shall have to go before we come to the end of the low price phase. If, however, we can maintain our primary production, and progress with our other potential industries, we need have no fear or alarm about the future. On the contrary, we should be able to look ahead with entire confidence, believing that the people of the State will be afforded ample opportunity to achieve security and prosperity.

Progress reported.

Sitting suspended from 6.15 to 7.30 p.m.

BILLS (2)—THIRD READING.

- 1, Fisheries Act Amendment (No. 2).
- 2, Road Districts Act Amendment (No. 2).

Transmitted to the Council.

BILLS (2)—RETURNED.

1. Financial Emergency Tax.
2. Financial Emergency Tax Assessment Act Amendment.

Without amendment.

BILL—INCOME TAX ASSESSMENT ACT AMENDMENT (No. 2).

Second Reading.

THE PREMIER (Hon. J. C. Willecock—Geraldton) [7.33] in moving the second reading said: The Bill is similar to that which was introduced a few days ago, but has since been withdrawn, with the exception that the provision dealing with rates of deduction to be made as contributions towards the income tax to be assessed later, has been deleted. I have already explained the provisions of the Bill and feel it unnecessary to repeat what I said previously. A separate Bill will be introduced im-

mediately dealing with the rates deduction. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

BILL—INCOME TAX (RATES FOR DEDUCTION).

Second Reading.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [7.35] in moving the second reading said: This Bill is complementary to the one I have just placed before members. It is short and the purpose is simple. The introduction of the Bill has been rendered necessary because the House took some exception to the inclusion in the one Bill of provision for the collection of instalments of income tax. When the comprehensive Bill was introduced, a point of order was raised regarding the inclusion of that provision. I considered then that the Bill was in order and I still think so. On the other hand, I do not desire to delay the passage of an important Bill by discussing technicalities, particularly as the difficulty is easily overcome by the introduction of the present Bill, which is in accord with the Standing Orders and in order in every way. If this is the method members consider the better, I certainly have no objection to dividing the comprehensive Bill into two measures, so that both phases may be discussed separately. Naturally the Bill must be read in conjunction with the Income Tax Assessment Act Amendment Bill (No. 2), the second reading of which I have just moved. The Bill deals with deductions only and the rates are the same as those included in the original Bill. They are 6d. in the pound on all wages and salaries under £8, and 9d. in the pound on all wages or salaries exceeding £8. Members will see that deductions may be made despite the fact that Parliament may not have fixed the rate of tax to be imposed. A person would have to be a super-optimist if he thought the State could do without the income tax altogether.

Mr. Watts: We may dream about it.

The **PREMIER**: We all know such a Bill must be introduced and that, in accordance with the reception of such measures during the last 25 years, will be passed in one form or another. The Bill provides that pending the fixing of the rate of tax, payments may be made in instalments, notwithstanding

that assessments of income tax have not been issued. The system outlined has been in operation in Victoria and South Australia, and the legislation is somewhat similar to that operating in Great Britain. The system apparently meets with general acceptance by those who have to pay the tax. Naturally the arrangement does not suit the department whose convenience would be met to a greater degree if one payment only were involved. In that event, one receipt would be tendered and the whole transaction would be completed. On the other hand, the system has proved of convenience to the public. I anticipate that some difficulty will be experienced at the inception, but when the scheme is in working order, I think the effect in Western Australia will be similar to that in other States where it has been adopted, and no desire will be indicated to return to the system of one lump sum payment. The proposal for the payment of instalments prior to assessment will, I believe, meet with the approval of the majority of taxpayers. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

ANNUAL ESTIMATES, 1938-39.

In Committee of Supply.

Resumed from the 15th November; Mr. Sleeman in the Chair.

Public Utilities:

Vote—Railways, Tramways, Ferries and Electricity Supply, £3,315,200:

MR. SEWARD (Pingelly) [7.40]: I have not a great deal to say on the Railway Estimates, because during the Address-in-reply debate I dealt with matters affecting the administration of the railways. The first subject I shall mention was indicated in the questions I asked the Minister this afternoon in connection with the Kalgoorlie refreshment room. To me it is a pity that visitors from the Eastern States can find cause for complaint under that heading. I met some who arrived the other day, and when I asked them how they enjoyed the trip, they said everything was quite all right except the meals supplied at the Kalgoorlie refreshment room.

Mr. Warner: They must have had one of Gorman's pies!

Mr. SEWARD: I asked if they intended to lodge a complaint, and they said they proposed to do so. Apparently they did not carry out their intention. This is by no means the first time a complaint has been voiced regarding the railway refreshment rooms. Considerable time has elapsed since I last travelled over the Transcontinental railway, but I recollect that on that occasion the best meal served throughout the journey was the one after we left Kalgoorlie. That was the unanimous opinion of the passengers. The meal was by no means elaborate. As the member for Kalgoorlie (Mr. Styants) said last night, an elaborate meal is not required on the train. At any rate, I think it a pity that inter-State passengers could voice a complaint about the meal provided by the Kalgoorlie refreshment room. The matter should be looked into by the Minister because, as I said before, this is by no means the first complaint regarding the refreshment rooms under the charge of the present lessee. In the Commissioner's annual report, he mentioned that last year criticism was offered regarding the State railways in comparison with those of South Africa. In his comments the Commissioner refers solely to the financial phase. Last year I was particularly careful when comparing our railways with those of South Africa to exclude financial considerations because it is impossible to compare the two systems from that aspect. In South Africa the Commissioner of Railways deals not only with the railways, but with harbours, coal mines, airways, and other services and the whole concern has a capitalisation of, if I remember aright, about £151,000,000. Consequently, I would not dream of comparing our railway system with that of South Africa. The criticism I offered was with regard to the provision for the travelling public. I cannot allow the Commissioner to get away with his comments as though the criticism related to financial considerations. On the other hand, I commended the South African authorities for the manner in which they had overcome what is described as unfair competition arising from the use of motor trucks. They improved their passenger accommodation and speeded up the railways with the result that the lost passenger traffic was largely recovered.

The Minister for Railways: But the railways control the road traffic in South

Africa. If they lost traffic, to whom did they lose it?

Mr. SEWARD: They regained their passenger traffic. I quoted the figures last year. I think the passenger traffic regained represented, in four years, something like 20,000,000 passenger journeys, whereas in this State we were losing, and are still losing, our passenger traffic. I shall deal with that phase a little later. The member for Canning (Mr. Cross) commented upon the financial results of our railway system and attempted to show that on all the undertakings under the control of the Commissioner—ferries, electricity supply, tramways and railways—a surplus of £12,000 had been disclosed. I desire to draw attention to the following paragraph in the report of the Auditor General—

The interest charge brought into the "Commercial Accounts" prepared by the Railways is lower and, presumably, does not include exchange, consequently their accounts are presented on a more favourable basis than those of other concerns.

It is extraordinary that while other State concerns include exchange in their interest charges, the Railway Department should omit it and consequently be able to present a more favourable balance sheet. That is not right. The general rule should apply to the Railway Department, so that its accounts can undergo the same tests as those of other departments.

I regret to learn that the bulk handling facilities that were promised for Fremantle have not been proceeded with, because there may be a difficulty in selling our wheat this year and the question of storing it will probably arise. I am aware that the money we hoped to obtain from the Loan Council to provide this facility was not obtained. That, however, need not have deterred the Government, as the company concerned is able, if necessary, to obtain capital and build the works without cost to the Government. It would pay the Government to let the company erect the works, because then trucks would be liberated and the handling of our wheat materially facilitated. Some consideration should be given to the offer of the company to erect this facility. I do not regard as legitimate the excuse that the Government has not the money available to proceed with the works.

I congratulate the department upon the fact that last year 52 new CXA trucks were constructed and put into commission. I

notice the department is making provision for another 50 of these trucks. They are very valuable and have been favourably commented upon since they were first put on the line. The intimation that this extra provision is being made will be pleasing to the producers of fat lambs and sheep owners. The other night the Minister commented upon the fact that the department had been forced to provide open trucks for the carriage of sheep last year, but that was not the fault of the department. It was the fault of the brokers for arranging sales on succeeding days. I was able to prove by correspondence that the brokers did not give the department sufficient time, in my opinion, to provide trucks. The brokers conducted a sale of 10,000 or 15,000 sheep on a particular day, and ordered the trucks only on the morning of the sale. Obviously, the department was not given a fair chance to provide the trucks. I express the thanks of the sheepowners of the State for the provision by the department of the extra trucks. At the same time, I desire to renew the application I made some time ago that when large bogey trucks are supplied to sheep owners in the southern part of the State, provision should be made to divide the trucks into two compartments. I understand that is not required by the pastoralists in the north. In the Great Southern districts, however, the sheep are loaded at the side and get a very rough passage in the truck. There is a large number of sheep in each truck and, with the shaking and the jerking, they are banged from one end of the truck to the other, the result being that many are injured and some killed before the arrival of the train at Midland Junction. I hope the Commissioner will favourably consider this request.

I notice from the Commissioner's report this year that there is a falling off of 632,527 in the number of suburban passenger journeys. The Commissioner says—

The substantial decrease in the suburban traffic—632,527 journeys for £10,476—although disconcerting, was not unexpected. Investigation disclosed the falling off was mainly between Perth and Fremantle, where road facilities are excellent both for private cars and road vehicles.

When introducing these Estimates, the Minister said that a fair number of new trolley buses had been put into service. The Premier, when speaking on the Loan Estimates to-day, said that the trolley buses have become popular and are well patron-

ised. That is obvious. People want the most up-to-date and best means of transport. No one would contend to-day that the railways, or even the tramways, are superior to trolley buses. I submit for the Minister's consideration the suggestion that the department should consider seriously whether the time has not arrived when the department should abandon suburban railway traffic altogether. When this form of transport was introduced, it was the best available and naturally received the patronage of the people. The railways and tramways were, however, laid down in the more closely settled suburban areas. Times have changed. I venture to say the train service is no longer convenient to 75 per cent. of the suburban areas. Consequently, the mode of travel for the future will be motor buses and trolley buses.

The Chairman of the Melbourne Tramways Trust has only recently returned from a world tour, after having made a thorough investigation into transport problems in various parts of the world. On his return he definitely said that trolley buses would not be installed in Melbourne because they were no longer the most up-to-date means of transport. Of course, the Collie coal question largely influences us in the use of trolley buses. I bring this particular phase under the Minister's notice, however, so that he may give it consideration when the extension of travelling facilities to our outer suburban areas is under discussion. There should be no further extension of the tramway system.

The Minister for Railways: The Melbourne Tramways Trust is putting on double-deck buses.

Mr. SEWARD: Only for the outer districts.

The Minister for Railways: In Bourke-street.

Mr. SEWARD: No.

The Minister for Railways: The chairman must have changed his mind, because he said the trust intended to electrify the tramway system.

Mr. SEWARD: I will send the Minister the cutting from which I obtained my information, so that he may correct himself. The chairman of the Melbourne Tramway Trust said he was importing a new engine from Germany which, in his opinion, would revolutionise the transport business. I think Errin is the name of the

engine. If I am not mistaken it is a gas engine. At all events, this authority, the chairman of the trust—I take it he is an authority—was sent Home to inquire into the matter. He is convinced that the Errin engine is the engine of the future. He made the statement that trolley buses were no longer the best means of coping with large suburban traffic. Since reading that report, I notice that trolley buses are losing favour in England. I do not press the abandonment of trolley buses in this State, because they are necessary to safeguard the interests of our Collic coal miners. I again urge the Minister that the question of the abandonment of the suburban railway traffic should be seriously considered, because in my opinion that money could be used to better advantage in other parts of the State.

I wish particularly to mention country branch lines, which are in the same state to-day as they were 25 or 30 years ago. Mixed passenger and goods trains run over these lines, and some of the trains occupy nine hours for a journey of 80 miles. I refer to the line between Kondinin and Narrogin. On arrival at Narrogin, one has to stay there overnight and continue the journey to Perth the next day. In my opinion, branch lines should have Diesel cars. These are provided on the main lines from Perth to Katanning and Merredin. Passengers on those lines travel comfortably and fast enough; but settlers along the branch lines in country areas, who have so many difficulties and troubles to overcome, are the people who should be provided with fast passenger trains. I am convinced, as I said last year and on other occasions, that if Diesel cars were provided for the branch lines, the railways would receive greater patronage. It is only because a journey over branch lines to Perth occupies two or three days that the people in those districts are forced to disregard the railways and avail themselves of motor cars or trucks.

The Minister for Railways: There are not enough people on the branch lines to patronise the railways.

Mr. SEWARD: I am convinced that the people in those country areas would travel by train if the facilities were improved. I hope the Minister will give consideration to my suggestion. When introducing these Estimates, the Minister told us that the Kal-

goorlie express had been speeded up, and he mentioned that the engines on that line had been renamed. I seriously ask him if he will consider renaming the engines on the Albany line, if it will have the effect of speeding up the Albany express.

The Minister for Railways: That express travels at the rate of 40 miles an hour.

Mr. SEWARD: I think it unfair that people travelling from Albany to Perth should have to put up with so many stops en route, even including stops at suburban stations from Midland Junction to Perth. I do not want the express to travel at 40 miles an hour; that would probably be unsafe on our lines.

The Minister for Railways: But the Albany express does travel at that speed.

Mr. SEWARD: Many delays at small country stations, such as Spencer's Brook, should be avoided. On Friday nights the Albany express leaves Perth and stops only at Midland Junction, Chidlow and Spencer's Brook. The same stops are made on the journey when the train arrives in Perth on Friday mornings. The express should stop only to take in water. That is a fair request to make. The express should not stop at so many country stations for refreshments. At present the Albany express stops at Katanning, Wagin, Narrogin, York, Beverley, Spencer's Brook and Chidlow. The passengers do not want to obtain refreshments at all those places. If people joining the train at any of those stations desire to obtain refreshments, then the refreshment room could be opened a quarter of an hour or 20 minutes before the arrival of the train. Passengers do not want to get out of a train at 1, 2 or 3 o'clock in the morning to have a cup of tea; they would prefer the train to proceed to its destination. I hope the Minister will be able to do something to avoid the unnecessary stoppages. The Commissioner, in his report, refers to the fact that much traffic is lost to the railways through competition by motor buses. I may be permitted to quote a case to show that it is not altogether the motor buses that take the business from the railways; it is often the fact that the railways do not bother about getting the business. I wish to mention the case because it is authentic and it came under my notice last year. A business man conducting an electric lighting station heard of a boiler that was for sale in the country, probably 200 or 300 miles away.

He went there to inspect it and saw that it satisfied his requirements. On his return he interviewed the railway authorities and asked for a quote for the conveyance of the boiler to the destination where he desired to have it. In due course the quote came from the Railway Department and it was about £100. The man said that he could not pay that sum and he would have to leave the boiler where it was. The Railway Department adopted the attitude "That will be the freight: take it or leave it." As the boiler was needed, the purchaser thought the matter over and discovered that it would have to travel for a certain distance over the Midland line. Approaching the Midland Railway Company he asked for a quote for the removal of the boiler. The reply he got from the Midland Company was that the manager would be only too pleased to discuss the matter with him and, on calling at the Midland Company's office, the subject was investigated and the quote given him was between £50 and £60. The result was that the Midland Company got the job and brought the boiler down. There we have an instance where the Government railways, by adopting the attitude of "take it or leave it" lost revenue which was secured by the Midland Railway Company.

Hon. P. D. Ferguson: Yet the Midland Company for a truck of bulk wheat will charge you a jolly sight more.

Mr. SEWARD: I am not dealing with wheat. If the Minister desires to have it, I can give him the name of the person who entered into the contract with the Midland Company for the removal of the boiler. That is an instance that bears out that the Railway Department does not seem to care whether it gets business or not. The attitude of the department is such that the people in the country districts fail to understand it. The matters to which I have referred are all that I desire to mention on the Estimates. I trust the Minister will take some notice of them, and even though the railways may say that I am against them, I assure the Minister that that is not so. If the department would only consult the people who use the railways, the officials would probably get a considerable amount of help because the customers of the department can see a great deal more than the person who sits in the office, or who goes out probably in the Commissioner's car. If the department invited the co-operation of the public,

the railways would in the end receive very much better patronage than they have had during the last few years.

MR. SAMPSON (Swan) [8.4]: I am glad to have the opportunity to record my appreciation of the remarks of the Minister in respect of the extension of electric current to the outer districts that are so greatly in need of it. I am gratified that the Minister was sufficiently interested to make a personal inspection of the districts I represent, and that he appreciated the opportunity that exists in the outer suburban districts for the extension of current. When the extensions are made, there will be established such an era of prosperity that will mark an epoch in the progress of those outer districts. The extensions will mean an increase of population and a decrease in the number of those who, by force of circumstances, are compelled to accept sustenance. Though one might well be pardoned for feeling some regret that so many years have passed since extensions were first sought, nevertheless, hope springs eternal and it appears that we are on the threshold of a definite advance. I hope the remarks of the Minister will be reflected by a ready acquiescence on the part of the Treasurer to find the necessary funds, and I know that when the extensions are made there will be full justification for the money that has been expended. I have always been amazed that the Government has not been prepared to find the small amount necessary to carry out this work because, as I have said on other occasions, the extensions of current to the outer suburban districts would make a great difference in the revenue received from other sources. If there is any sincerity in the general viewpoint that has been expressed, definite encouragement should be given to people to move out from the city and to live better, more useful and longer lives in the outer suburban areas. The position regarding the Electricity Supply Department as disclosed by the reports placed before us is gratifying. The profits for the year amounted to £31,810, as compared with £24,901 for the previous 12 months. That is proof that of all the Government utilities none produces a return equal to that of the electricity supply. We must realise, too, that the excellent profit of £31,810 resulted after provision was made for the pay-

ment of the increased basic wage. That is all the more satisfactory. I notice also that the power station is generating more current. In 1934 the figures were 91,000,000 kilowatts, and in 1938 122,000,000 kilowatts. I trust that current will be made available, as I have already said, to the outer suburban areas, to enable those areas to advance. They cannot expect to do so unless they get this facility. A living cannot be obtained from fruit growing or vegetable production unless cheap power is provided. I repeat that I appreciate the practical interest displayed by the Minister in visiting the districts that will be affected, and I am hopeful that as a result of that visit there will be an early consultation with the Treasurer and a decision arrived at to make the extensions.

MR. HILL (Albany) [8.12]: Our railways receive quite a lot of adverse criticism, and I am afraid that a big proportion of that criticism is justified. Comparisons with our railways and those of South Africa show us up in a very bad light. I do not agree with those who contend that the two countries are not comparable. We have more to learn from South Africa than has any other country, but our trouble is that the Government of this State is not out to learn, as it should be. It is in a groove, and will not shift. I realise that South Africa has cheap labour, cheap coal, a population of 2,000,000 Europeans and 6,000,000 non-Europeans, but our transport problem is very similar to theirs. They have a big area to serve, as we have. The revival in gold-mining is largely responsible for their prosperity. It has also saved this State from bankruptcy. Nature has been far kinder to us than it has been to them. Although their railways have been constructed with cheap labour the average cost per mile is over £9,000, compared with £6,000 in Western Australia. Admitted that their railways have heavier rails, engines, etc., than have ours; they need the heavier rails and engines because of the nature of the country. We have one tunnel in this State, while on one line in South Africa, 300 miles in length, there are about 16. Further, we have had to spend very little on bridges, whereas South Africa has had to spend millions. Our troubles in this State are largely due to the obsession that a reduction of railway

mileage means reduced cost. The policy of charging railage on a mileage basis is responsible for this state of affairs, and the result is that we have railways and ports all over the place.

There is hardly a part of the State which, at some time or other, has not had its pet railway or port scheme, and because of this our administration, as compared with South Africa's, is severely handicapped. There the average charge is 1d. per ton per mile; in this State it is 1.76d. Their railways made a profit of £6,400,000 last year, ours with sinking fund and exchange a loss of £250,000. South African ports made a profit of £677,000; ours made a loss of £34,000. I will briefly endeavour to show where we can learn from that Dominion. First, let us compare the administrations. All their railways, ports, bulk handling, tourist activities, airways, steamships and motor services are under the general manager of Railways and Harbours, who is responsible to the Minister for Railways and Harbours. We have our railways, which represent 30 per cent. of our total State debt, administered by the Minister for Railways. Our ports are controlled in two cases by local harbour authorities, in some cases by the Railway Department, and in others by the Harbours and Lights Department.

Mr. Wilson: And South Africa employs black labour.

Mr. HILL: We want to learn what we can from them and not worry about other things. The Minister for our ports is the Chief Secretary, who is also Minister for State Shipping. Our Tourist Bureau is under the Premier's Department. Our Transport Board is under the Minister for Works, and we have the Minister for Lands messing around with bulk handling.

The Minister for Mines: Why messing around?

Mr. HILL: I will explain it some other time.

The Minister for Mines: You're out of order in "messing around."

Mr. HILL: In 1929 a committee was appointed by the Commonwealth Government to report upon transport in Australia. Part 6 of that committee's report reads—

Co-ordination cannot be effected solely by the passing of Acts and regulations containing various restrictions.

A suitable organisation to meet the requirements of the different States is necessary, to-

gether with adequate executive authority to carry out its duties effectively.

The organisation will vary with the conditions in each State, but action along the following lines is suggested:—

(a) All transport activities to be grouped under the one Ministerial head, who will be responsible for the whole transportation policy.

(b) The establishment of a co-ordinating authority which would be responsible for carrying out the transport policy approved by the Government.

(c) The co-ordinating authority may take the form of one of the following:—(1) Commissioner of Transport with advisory committee; (2) Transport Board; (3) Advisory council representative of interests concerned.

I am convinced that had our Government carried out this and other recommendations of the Commonwealth committee, our railways would have been in a much better position to-day. Some people consider that with the development of motors, railways are obsolete. In South Africa, the authorities are continually aiming at improvements in their transport. In September, 1936, a conference of the leading administrators of all British territories in or adjacent to Africa was held to discuss transport problems. This conference appointed a committee, and on page 34 of the report of the South African Railways, and Harbours appears the following:—

This committee, being impressed by the urgent need that all forms of transport should be developed along sound and economic lines, resolves—

(a) That the railways are a vital factor in agricultural development and in preserving the primary industries of any country;

(b) That the existing long-established world-wide railway policy of charging high rates for valuable traffic and low rates for primary products is essential to stimulate and maintain primary production;

(c) That the policy mentioned in the preceding paragraph is seriously imperilled where uncontrolled competition with the railways by other forms of transport is allowed;

(d) That having regard to what is stated in paragraphs (a), (b) and (c), a scheme of control of transport is necessary in the best interests of any country;

and recommends that suitable legislation be introduced in all territories to bring this about. It believes that such legislation is not only necessary in the interests of the public as a whole but also in the best interests of each form of transport, inasmuch as the security and stability thereby attained would encourage the investment of capital in establishing or improving transport undertakings.

It has been found necessary in most countries during recent years to adopt legislative measures for the control of public transport, and the following brief summary of the outstanding features of the most recent legislation in other countries, as set out in the United States Department of Commerce publication, "Railways and Highways Transportation Abroad," and in the "International Railway Congress Bulletin," is of interest:—

Australia (Queensland).—Road vehicles competing with the railways are taxed at the rate of 1½d. per ton per mile, and 1½d. per passenger per mile, on all goods and passenger traffic conveyed. These taxes are in addition to the ordinary motor tax.

Australia.—Road transport parallel to railways for distances exceeding 62 miles is prohibited.

Belgium.—Transport services competing with railways must pay an indemnity to the railways.

Czechoslovakia.—Heavy restrictions are placed on motor vehicles operating for a greater distance than 18 miles, except when such services are acting as feeder services to the railways. On heavy lorries, a super tax, approximately three times as great as the ordinary tax, must be paid by all operators who do not enter into a working agreement with the railways.

Hungary and Rumania.—Road transport has been declared a State monopoly. The State, however, can let out to private contractors the right to operate services under certain conditions.

Italy.—Road transport vehicles are taxed on a ton-mileage basis, which has the effect of discouraging long-distance traffic. Taxes on road goods transport are utilised to subsidise inland water services and motor lorry services which act as feeders to the railways.

Switzerland.—Operators of road passenger services which compete with railways are required to pay to the railways a special tax of two centimes per passenger per mile to compensate the railways for loss of revenue.

Tasmania.—Vehicles competing with the railways are taxed from 2½ per cent. to 8½ per cent. on the revenue earned, according to distances over which they compete.

Overseas Visits.

The Granet Commission in its report published in 1934, stressed the value of contact with railways overseas, as follows:—

We desire to call special attention to the great benefit to be derived from sending members of the railway staff to study railway methods in other countries.

Mr. Needham: What are you quoting from?

Mr. HILL: From the last report of the South African Railway Department. The Granet Commission's report continues:—

While it is not contended that everything done elsewhere is either right or

applicable to conditions at home, we have found from actual experience on our respective railways that apart from the educational value of such visits to the officers concerned, the financial benefits arising therefrom far outweigh their cost. In order to obtain the best results, such visits should be systematic and frequent, and of sufficient duration to enable the officers concerned to make a thorough investigation of the subjects entrusted to them according to a defined programme. On their return, the results of their investigations should be carefully considered with a view to deciding to what extent the information obtained could be made use of at home. In many cases it may be found necessary to repeat the visit, not necessarily by the same officer. In this connection, our experience has convinced us that it pays to have almost continuous series of these investigations. In certain cases it may be found beneficial to arrange for an exchange of officers for a comparatively extended period, so that a particular problem may be investigated in all its aspects.

The general manager of the South African railways, commenting on the report, said—

I am in full accord with the views expressed by the Commission, and in recent years many investigations have been carried out overseas into railway problems covering a wide field, but more particularly into technical matters. In addition to sending officers to other countries to inquire into problems, advantage is frequently taken of the presence overseas of an officer who is on extended leave of absence for the purpose of inquiring into questions affecting his particular sphere of work.

Subjects which have been investigated in other countries in recent years include rail car development; catering arrangements on trains, and in railway restaurants, and catering practices generally; stores methods; air-craft development and problems relating to the operations of civil airways generally; recent developments in signalling methods; developments in internal combustion engines, and operations of road motor services generally; electrification; air-conditioning of passenger rolling stock. Apart from these investigations, officers are also sent overseas to represent the administration at congresses, and other meetings, at which matters of an important character relating to railways are discussed, and in this way valuable contact is maintained with other railways, and views are exchanged with regard to problems common to railways the world over.

Arising out of certain recommendations made by the Granet Commission arrangements were made for a delegation of senior officers, comprising the Chief Mechanical Engineer, the Assistant Chief Civil Engineer, the Chief Superintendent (staff), the Research Engineer, and the Production Engineer to visit Europe and America during the present year for the purpose of making investigations into aspects of railway working falling within their respective

spheres of work. These officers visited the larger railway centres in Great Britain, the Continent of Europe, the United States of America, and Canada. They have made comprehensive investigations into subjects such as workshop organisation and equipment, civil engineering problems, operating and commercial practices, etc., and the mass of information they have obtained on these matters should be of considerable value to the administration.

These extracts are very interesting to us, and we might well follow the lead of South Africa and send our senior officers and most promising young officers to other States and overseas. The problem of our railways is a big and changing one, and I am confident that a visit to South Africa and other countries by our Commissioner would be worth while.

The Minister for Mines: Do you think he ought to bring back a boatload of blacks to work our railways?

Mr. HILL: Let me finish what I have to say.

Mr. Needham: Is there anything left?

Mr. HILL: A visit to South Africa by our Commissioner would be well worth while particularly if, while overseas, he carefully investigated port and shipping problems as well. I mention this because, to quote Sir George Buchanan—

Ports are the medium between sea and land transport. On the ports, their efficiency and proper location, the whole system of transport largely depends.

On his return I would suggest that he be appointed Commissioner of Transport and that an advisory transport council or committee be formed consisting of the Commissioner of Transport as chairman, the Commissioner of Railways, the General Manager or Chairman of the State Harbours Board, the Chairman of the Transport Board and the Manager of the State Steamships. I suggest the scrapping of the Fremantle Harbour Trust and the Bunbury Harbour Board, the repeal of the Albany Harbour Board Act and that all State harbours be under the one authority as in South Australia or New South Wales. In this connection I would point out that in the "West Australian" recently appeared the following:—

Tasmanian Transport.

Wide Powers for Commissioner.

Hobart, Nov. 11.—Under the provisions of the Transport Bill which the Premier (Mr. Ogilvie) will submit to Parliament next week it is proposed to create a new office of Commis-

sioner for Transport. The commissioner's powers will be far reaching. He will be given full control over all forms of transport, including railway, road, river and air services and conduct them under State control.

The Bill follows an investigation extending over several months and is aimed at decreasing the losses on railways, which amount to £500,000 a year. It is probable that in the event of the Bill being passed the Government will take over road services in competition with railways and considerably curtail railway passenger services.

A careful comparison of the report of our Commissioner with that of South Africa shows that one factor contributing in no small way to the better financial results in South Africa is the fact that their average train load is double that in our State. The member for Kalgoorlie, when referring to this last year, suggested relaying our lines with 80lb. rails, and using heavier locomotives. This would cost millions, and consequently is out of the question at present. There is no need for this in the southern portion of the State. Our present port zone system is based on only one factor—railway mileage. The high costs and losses on both our railways and ports provide proof that the system is not working satisfactorily. To save a few miles in railage, wheat from the country east of the Great Southern is hauled over the Darling Ranges, instead of down the Great Southern. For example, to save only 21 miles of railage and 8d. per ton in freight 60,000 tons of wheat was last year railed through Wagin westward instead of down the Great Southern railway.

Mr. Withers: That is a saving to the farmers.

Mr. HILL: Let me finish, please! An amount of £73,000 has been spent on regrading the railway between Collie and Brunswick, and now an engine will haul 426 tons from Wagin to Collie, 500 tons Collie to Brunswick, and 850 tons Brunswick to Bunbury, a distance for the 850 tons of only 16 miles. Up to date, nothing has been spent on regrading the Great Southern railway south of Narrogin, and the engine load tables show the load as follows:—

	Miles.	Tons.
Wagin-Lime Lake ..	8	500
Lime Lake-Moojebing ..	17	850
Moojebing-Katanning ..	7	426
Katanning-Murdong ..	6	850
Murdong-Broomehill ..	6	426
Broomehill-Peringellup ..	8	673
Peringellup-Tambellup ..	7	537
Tambellup-Wansbrough ..	8	465

	Miles.	Tons.
Wansbrough-Pootenup ..	7	850
Pootenup-Tenterden ..	20	497
Tenterden-Carbarup ..	15	673
Carbarup-Mt. Barker ..	7	481
Mt. Barker-Narrakup ..	11	673
Narrakup-Redmond ..	8	800
Redmond-Albany ..	20	850

Brunswick is 16 miles from Bunbury, and that is the only section where the 850 tons full load is possible between Wagin and Bunbury, whereas the figures quoted show that 850 tons may be hauled for a total of 50 miles between Wagin and Albany, and a further 8 miles for a load of 800 tons, and for 34 miles the load is 673 tons. One of my railway friends has supplied me with a drawing showing the grades along the Great Southern. A glance at the drawing reveals that all that is needed to increase considerably the carrying capacity of the Great Southern line is to cut down the grades, aggregating all told only 11 miles. This would be a good work for unemployed men, as it consists of about 100 per cent. labour. By this means a grade of one in eighty could be secured all the way to Albany. It would mean that an F.S. engine could haul a load of 850 tons for no less than 77 miles on the Great Southern railway, and that by using banking engines on the other 70 miles trains of 850 tons could be hauled all the way from Wagin to Albany. Then there is the question of speed. In the case of a goods train from Wagin to Albany, straight and easy curves permit a maximum speed of 30 miles; nine curves permit a maximum speed of 27 miles; and five curves permit a maximum speed of 20 miles. Between Wagin and Bowelling, straight and easy curves permit a maximum speed of 25 miles, and nine curves a maximum speed of 19 miles. I have shown one way in which more economical working of our railways may be achieved. Some alterations would have to be made, but they are necessary for the purpose of decreasing costs and cutting down the railway deficit. Further economies might be effected by the adjustment of the zones on an economical basis. Other countries have railway charges on a zone basis instead of upon a mileage basis, and we can follow their example.

Now I would like to say a little about the train service on the Great Southern line. I suggest sending wheat for shipment the shortest way, and not the longest.

The shortest route in the case of the Albany zone is via the Donnybrook-Katanning line; but owing to the low carrying capacity of that line, super is hauled over the Brunswick-Collie-Wagin line. The member for Pingelly (Mr. Seward) referred to the rather poor service on the Great Southern line. That service has to a certain extent deteriorated. A.Z. coaches have been replaced by A.Q. When that change was made, the members for Williams-Narrogin (Mr. Doney) and Pingelly (Mr. Seward) and I waited on the Minister for Railways and asked that the A.Z. coaches be restored. That night the Chief Traffic Manager went to see who patronised the A.Q. coaches. He found that the passengers consisted of the member for Pingelly, the member for Williams-Narrogin, and myself. Is it not deplorable that our railways are so little used? Instead of cutting down the service because of the poor patronage the railways receive, the department should provide a service which would encourage larger patronage. At the present time the fast train takes 16 hours to go from Albany to Perth. The ordinary train takes about 18 hours. Motor cars have done the distance in from four hours to seven hours. They can do it comfortably in 5½ hours. The journey has been done by push bike in 12 hours 28 minutes. The trouble is that the distance by road from Albany to Perth is 254 miles, while the distance by rail is 341. The railway charge is on the mileage basis. While passengers are conveyed a radial distance of only 252 miles, they have to pay for 341 miles. The member for Pingelly has already referred to the need for improved passenger service. If the Great Southern service could be speeded up and provided at cheaper fares, it would be more used. As soon as cheap excursion fares are cut out, the passenger patronage on the Great Southern line becomes less. It will be a profitable proposition for the Commissioner of Railways to speed up the trains and reduce the fares.

MR. MARSHALL (Murchison) [8.35]: It seems that we have the wrong man for Commissioner of Railways, absolutely! This is the man the Murchison is looking for! If there is anything the Murchison people desire most of all, it is the speeding up of the railway trains. Had the previous speaker

given maturer consideration to the figures he used, he would have realised that the basic fact which permits South Africa—a country I know, having lived there for some time—to make such a huge success of its railway system as compared with Western Australia, is not that it has a population of 2,000,000 whites and 6,000,000 coloured people, but that its railway system operates over only a fraction of the area and mileage that obtain in Western Australia, which has a population of only 451,000. The hon. member desires an infant to run before it has begun to crawl. How could we carry the same costs as a population so wealthy and so numerous as that of South Africa?

Mr. Hill: Who suggested it?

Mr. MARSHALL: The whole position is obvious. I would not be so audacious as to accuse our Commissioner of Railways of not being conversant with conditions in other countries where similar railway systems, having regard to the gauges, are in existence. I respectfully suggest that the departmental officers of the Western Australian railway system are fully aware of what is taking place in other countries. Our departmental staff, however, is handicapped by the fact that when it reaches out to give effect to the reforms we all desire, the cry is, "There is no money." I have not the slightest doubt that our engineers are quite capable of giving us air-conditioned rolling stock. We want it. No one wants it more than those who travel 715 miles on one of the hottest lines in Australia, that to the Murchison goldfields. Those are the people who need consideration in the form of air-conditioned railway carriages. They are the people, too, who pay the highest railway freights and fares, and are responsible for the small deficit our system shows. They pay the maxima for all services rendered. They live and labour under the most oppressive climatic conditions in Western Australia. I say these things with all due respect to people who live in other parts of this State. When Western Australia has a population of 2,000,000 whites, and in addition numbers of coloured people as intelligent and ambitious and efficient, and with the same standard of living, as the coloured people of South Africa, our Railways Commissioner will find it much easier to give effect to the wishes of the member for Albany than under present conditions and circumstances. We must bear in mind the fact that Western

Australia has more miles of railway per head of population than has any other country in the world. Our population totals 451,000. In the circumstances, and having regard to the monetary system under which we live, our people have done a pretty good job. Nevertheless I must endorse the remarks of the member for Kalgoorlie (Mr. Styants). The condition of the tractor section of our railway system is deplorable. I make mention of this because of what one experiences when one takes the train running into the Murchison district. That district has eight months of hot weather, and four months of particularly warm weather. Men are working in the cabins of locomotives under such conditions. The engines are in a bad state of repair, and so the men are not much encouraged to give efficiency. Indeed, I marvel that the men stick to their jobs as well as they do, in such circumstances. Anyone with mechanical knowledge of engines knows there is a loss of efficiency when the big ends of brass bearings and so forth commence to knock, developing a little more friction than is essential to the work for which the engine is designed. It is heart-breaking to try to obtain efficiency from an engine in such a state. In that regard the Commissioner is not considerate to his men, for the train is usually loaded up. I compliment the staff on their efforts to give service to the people of the State in such conditions. I cannot blame the Commissioner, because I feel confident that if money was provided he would effect the necessary improvements. However, I cannot let the opportunity pass without making these remarks.

I ask the member for Pingelly (Mr. Seward), if he thinks the Albany-Perth train requires speeding up, what would be his remarks if he had to travel between Wiluna and Perth?

Mr. Watts: The hon. member's remarks would be exactly the same, only louder.

Mr. MARSHALL: I agree with the member for Katanning. I do not speak disparagingly of the member for Pingelly, whose job is to represent his constituents here; but many people live under far more adverse conditions in respect of transport than do the people between Albany and Perth.

Mr. Seward: I referred to the trans. line also, and I particularly asked for the speeding-up of the Diesel cars on branch lines.

Mr. MARSHALL: I thought the hon. member spoke only of steam-driven locomotives. He mentioned that passenger trains had to stop at every little siding. That is also the case between Wiluna and Perth. I went to the trouble once of ascertaining the number of stops between Perth and Wiluna, and I made the total 81.

Mr. Seward: If I had referred to that matter, I might have been told to mind my own business.

Mr. MARSHALL: The technical mechanism essential to the safety of the train has to be considered. Frequently passengers complain of a stop at an unattended siding for a period too long to be agreeable to them; but there is the safe-working mechanism, which must receive close attention because the train cannot start until there is assurance of its travelling over the next section with safety. People without the necessary mechanical knowledge are apt to complain bitterly of stops. There would be a great deal more to complain about if a collision resulted on the next section through lack of attention to safe-working mechanism. The ordinary person knows nothing of the many technicalities associated with the running of trains, but is too ready to criticise, without appreciating the cause of stops. There is nothing in that.

I tell the member for Canning he is out of step on the subject of transport. Can he name one big city in the world that has entirely discarded trams and trains as a means of transport and installed buses?

Mr. Cross: I never said there was.

Mr. MARSHALL: The hon. member's inference was along that line, and frequently he has told us that our trams and trains are obsolete.

Mr. Cross: They have been scrapped in London and Manchester.

Mr. MARSHALL: Nothing of the kind. The member for Albany (Mr. Hill) quoted extensively from all countries, and he showed that in most instances they are prohibited, while in others they are under control.

Mr. Cross: The report he quoted was two years old.

Mr. MARSHALL: We need only go to South Australia to find that buses are prohibited from plying, though I admit there are a few that run to Semaphore and back. What is really wrong with our Government method of transport is that the system is obsolete. If our trams and trains were

modern they would move passenger traffic much more rapidly than any other method ever thought of by the member for Canning. That our trains are far from losing passenger traffic is shown by the number of people who continue to patronise them, and one has only to watch the exodus from the Perth Railway Station in the early hours of the morning to prove that what I am saying is correct. Imagine that number of people being transported by buses. Buses have been given too many concessions in the metropolitan area, and at the expense of the taxpayers also.

Mr. Cross: You have never heard me advocate buses.

Mr. MARSHALL: The hon. member should go somewhere else where buses are in competition with trains and trams, and note the conditions under which the people there have to travel.

Mr. Cross: I know all about it.

Mr. MARSHALL: If the hon. member knows, he should tell the House.

Mr. Cross: I am entitled to tell you what is wanted at South Perth.

Mr. MARSHALL: South Perth wanted a new ferry and got it; it wanted a tram and got it; it wanted buses and got them; now that suburb wants trolley buses.

Mr. Cross: We will get them, too.

Mr. MARSHALL: I know something about buses, because it is my misfortune to have to travel in one. It takes 45 minutes occasionally to do six miles, and I am charged 8d. for the trip. I can get on a tram, slow and all as it is, at the Town Hall, and travel seven miles in a shorter space of time and pay 5d. The hon. member imagines that buses travel at a greater speed because they do not stop so frequently as the trams. But let him look at the buses that travel on the south side of the river, buses that are without conductresses. There the driver has to collect the fares himself, and that sometimes takes five minutes while an old lady will dip into her purse and search for her fare.

Mrs. Cardell-Oliver: What about the old men?

Mr. MARSHALL: I suppose they would waste some time, but the women are the greatest offenders in this respect. If one goes to outback places where motors are in competition with the railways he will find that at one time it cost £7 10s. to carry goods over a distance of 142 miles. People never

complained, but let the Commissioner for Railways charge a similar rate for 142 miles and then listen to the howl. But reverting to motor buses. Have we not all experienced their evil smells from the exhaust and the interior filled with cigarette smoke?

Mr. Cross: There is nothing like that in the trolley buses.

Mr. MARSHALL: In the buses we find people hanging on everywhere, and yet no one complains. Let the trams be overcrowded, and then note what happens. Really the members of the public are not fair. We find people stepping out of a bus into the rain to make way for someone about to alight, then returning to it without uttering a complaint; but when it comes to the overcrowding of trams the newspapers are filled with hostile criticism of the Government methods of transport. Yet the trains and trams belong to the people themselves.

Mr. Cross: They should be improved.

Mr. MARSHALL: I agree, but where is the money to come from? It is all a question of funds, and that is never discussed in this Chamber. I should like to ventilate a small grievance regarding the excursion train which was sent from Wiluna to Perth in December last. That train was allowed to leave Wiluna seven or eight days before the schools broke up for the Christmas holidays. That caused great inconvenience to many people. It was too late to rectify the trouble, and so the train had to leave earlier than it should have done. This year, I hope the Commissioner will ascertain the date on which the schools will close for the holidays, so that the parents who desire to accompany the children to the coast may be able to do so after the break-up. I urge the department also to keep the trains supplied with clean water for the trip, because it is a long and tedious journey. One can imagine what the trip is like when I say that two trains may be leaving the Perth station at the same time, one for Adelaide and the other for Wiluna, and the train bound for Adelaide will reach its destination before the other arrives at Wiluna. That will give an idea of the conditions under which people have to travel in parts of this State.

Mr. Seward: There is no reason why that should be so.

Mr. MARSHALL: It is due to the fact that the department cannot afford to improve a system which is already showing a loss.

of that expenditure can be devoted to the development of the States, while at the same time serving the needs of defence, so much the better. There can be more co-operation in this respect between the Commonwealth and the States of New South Wales and Victoria than between the Commonwealth and Western Australia. In New South Wales and Victoria railways will be duplicated and put in a safe position, and this work will be very valuable from the standpoint of defence. This year, however, the States must undertake the very difficult task of endeavouring to carry out essential loan works with less funds. As most of the States try to provide for the relief of unemployment by carrying out public works financed from loan moneys, and as the numbers of unemployed have not continued to fall at the same rate as the decrease in loan funds, the problems confronting State Treasurers are acute. I am aware that the policy of public works for the relief of unemployment is criticised by some people; but in my opinion there should be no hesitation on the part of any community to borrow for the purpose of providing work for those who cannot obtain employment in private enterprise. Members will agree with me that nothing can be more demoralising than continuous unemployment, and that to keep men in idleness for a day longer than is avoidable is a social crime that no community should tolerate.

A public works policy of unemployment relief must, of course, be applied intelligently and should contract when employment in private enterprise is brisk, expanding when private investment is weak.

Hon. C. G. Latham: If money is not available for private investment, is it available for the Government?

The PREMIER: Money is always available for private investment. Because of lack of confidence in the future, however, investors prefer to place their money in a bank on fixed deposit or to subscribe to Government loans.

Hon. C. G. Latham: So they get someone else to invest it for them.

The PREMIER: Yes. They are not prepared to take the risk of investing their money in private enterprise. At the start of our depression years, millions of pounds were available in Australia for investment, but no one then wanted to borrow money.

Some of the banks even refused to accept money on fixed deposit, as they had ample funds. Investors were therefore forced to subscribe to Government loans. I think that some £4,000,000 or £5,000,000 was raised in Australia at a little over 3 per cent.

Hon. C. G. Latham: Is not that a bad sign?

The PREMIER: Yes. Consequently, the Government found it necessary to expand its borrowing programme in order to keep people employed. In 1932-33 the borrowings by the Commonwealth and States amounted to £16,500,000. This increased to £27,000,000 in 1934-35. Following upon an increase in private employment, borrowings have dropped since that year until they fell to £14,500,000 during the last financial year. With the drop in the national income due to the decline in the prices of some of our exports, it may be necessary to extend State loan expenditure. Less money will be available and consequently, if we wish to keep our people in employment, the Commonwealth and the States will have to embark on extended loan expenditure.

Hon. C. G. Latham: Do you think you will get the money?

The PREMIER: Yes, I am positive.

Hon. C. G. Latham: Are you positive you can get more money?

The PREMIER: I am. Credit facilities will be available.

Hon. C. G. Latham: I am not talking about credit facilities. I doubt whether you can get the money. I think the banks are lending all they can.

The PREMIER: The Commonwealth Bank and the Associated Banks advised the Loan Council that ample funds were available for investment. Neither the Commonwealth Government nor the State Governments desire to compete for money that can be employed reproductively by private enterprise. We therefore agreed, more or less willingly, to a reduction in loan expenditure and found we could carry on much better. Notwithstanding the unfortunate drop in prices of primary products—and that has not yet affected us very seriously—the condition of the State to-day is better than it was three or four years ago, when the Commonwealth and the States spent the peak amount of £27,000,000. However, if our income is reduced, we shall again have to revert to loan expenditure, but that is a problem rather for the future.

It is increasingly difficult to make the two purposes coincide with the funds available, because unfortunately some of the most desirable works, from a developmental viewpoint, are the least attractive as regards employment. I have a table of figures which show the rise in cost of unemployment works during the past six years. The table relates to the cost per man per week, and is as follows:—

Year.	Wages.			Other.			Total.		
	£	s.	d.	£	s.	d.	£	s.	d.
1932-33 ..	2	14	7	1	8	2	4	2	9
1933-34 ..	2	17	9	1	18	9	4	16	6
1934-35 ..	3	1	8	2	13	10	5	15	6
1935-36 ..	3	6	7	3	4	4	6	10	11
1936-37 ..	3	10	4	3	14	2	7	4	6
1937-38 ..	3	14	8	3	1	3	6	15	11

The reduced cost last year as compared with 1936-37 was due to two factors. In the earlier year, the Railway Department carried out a fairly extensive re-laying programme, in which the cost of materials was heavy. This work was completed in the year, and no comparatively expensive work was done in 1937-38. For instance, the Railway Department re-laid the Wongan Hills line with heavier rails.

Hon. C. G. Latham: Were the rails on that line not always 60 lbs.?

The PREMIER: No, originally the rails were 46½ lbs. Sixty-lb. rails have been laid up to Mullewa, and on to Geraldton. We can now use the biggest engines in the State in the northern areas, and, consequently, carry bigger loads. The cost, naturally, was heavy, because the material was manufactured outside the State. A high cost is not a disadvantage when the work undertaken is fully reproductive, and the number of men to be provided with work is within the ability of the funds to meet; but when funds decline or reproductive work cannot be found, unless at inordinately high cost, the position becomes acute. There must be a constant watch kept on the avenues in which loan expenditure is incurred in order to see that as far as possible those avenues lead to reproductive works. It is unavoidable, of course, in a young growing State such as ours, that part of the loan moneys must be applied to undertakings which in themselves are not reproductive. With local authorities, we have been constructing roads on a proportionate basis; that is, we have been finding some of the money and the local bodies have also found some.

Hon. P. D. Ferguson: That scheme is not in existence to-day.

The PREMIER: No; fortunately we have not had to resort to that lately. Western Australia has already spent well over £850,000 a year in road construction alone, and that is as much as should be necessary in a State like ours.

Hon. C. G. Latham: But roads are not constructed out of loan money.

The PREMIER: No. The road requirements are met by an expenditure of £800,000 a year.

Hon. C. G. Latham: You had better not say too much about that, because the money comes from the petrol tax.

The PREMIER: And the petrol tax is paid mostly by the people. Years ago the Commonwealth recognised the justice of our claim because of our huge area, and so we were given consideration by way of increased payments from the petrol tax. That money is contributed by the people, and we must admit that those who have paid the tax have received excellent value, not only from the standpoint of comfort and convenience but also because of reduced wear and tear of vehicles. There has also been a considerable saving of time for those engaged in business as a result of the road construction work that has been carried out.

Hon. P. D. Ferguson: And the scheme proved helpful to the local authorities.

The PREMIER: What was helpful to the local authorities here in contradistinction to the position of local bodies in the other States was the fact that in Western Australia they got all the money. New South Wales took about a million from the petrol tax for its own use, and South Australia, I believe, took £300,000 or £400,000.

Hon. P. D. Ferguson: We do not always follow those States in their mistakes.

The PREMIER: The whole idea regarding municipal or local government was that those bodies should carry out necessary road construction in their own districts, and not touch main roads. Nearly all the roads built by the local bodies within their own borders have been paid for out of fees that those local bodies have obtained from vehicular licenses. Quite a number of country cars come into the city, and from the registration plates we can see that there is a considerable increase in numbers. Only to-day I saw a Kalgoorlie car, and its number was as high as 1300.

Hon. C. G. Latham: And you will probably see quite a number of Perth cars on the goldfields.

The PREMIER: I have no doubt that is so. Not only do the local authorities have money from the petrol tax spent in their districts, but they also have the advantage of the fees collected in the district being returned to them. That is not done anywhere else. I remember protesting against that principle when the proposal was before this House in 1931. However, the money was given to the local bodies. I favoured the principle that the central Government should get some proportion of those fees. Fortunately, the State is not now so hard up that it needs to make a raid on any of the money that goes to the local authorities.

Mr. Patrick: It is a good thing, too, that the Commonwealth agreement was renewed for ten years.

The PREMIER: Yes, it was a wonderful thing for Western Australia, and indeed for Australia generally. The Commonwealth Government takes two-thirds of the petrol tax, and we get one-third.

The Minister for Works: The Commonwealth shows a substantial profit on that.

The PREMIER: Under the arrangement we entered into with numerous local authorities for the improvement of the roads in their districts which do not come under the jurisdiction of the Commissioner of Main Roads, we provided the labour, and the local authorities supplied the material. This was mutually advantageous in that it provided work for men dependent on the Government, and improved the roads in the local authorities' areas. But it is not such as can be continued. Obviously, the responsibility for the maintenance of roads rests on the local authorities, and quite apart from the fact that a generous method for distributing license fees should provide those bodies with ample revenue, it is an undesirable practice for the central Government to relieve them of it. My desire is to show that this form of expenditure cannot be continued. The money raised by local authorities by way of traffic fees, local registrations and rates, as well as the money derived from the petrol tax, should be sufficient for the construction of roads and the Government looks askance at expenditure in this direction from Loan Funds, on which we have to provide interest and sinking fund.

Deliberately and with our eyes open we sometimes spend money to provide employment, but we are always anxious that it should be spent on something that will prove reproductive. Even if the work cannot be termed reproductive in itself, it may eventually lead to the production of wealth in the State. This can be said of the expenditure that was incurred at Harvey and Waroona six or seven years ago. The works there were not reproductive in the sense that we got interest and sinking fund from them, but the result was to increase the productive capacity of those districts. The effect has also been to increase considerably the capital value of the land there.

Mr. Stubbs: Shall we not get interest and sinking fund eventually from that expenditure?

The PREMIER: I think we shall. Last year the Minister for Works, realising the high cost of the undertakings there, considered it would be injudicious to impose a high rate immediately, but he did strike a rate which will nearly pay interest and sinking fund. This was fixed at 10 per cent., increasing by 10 per cent. in each of 10 years until the full amount of the rate is reached.

Mr. Stubbs: And the work has enhanced the value of the land?

The PREMIER: No doubt about it. In Waroona I saw land which four or five years ago could have been purchased for £6 an acre and which now was claimed to be worth £20 an acre. The people of the State should be pleased to know that the South-West, which for many years was under a cloud, is now producing a considerable proportion of the requirements of the State. Because I go down to a district and observe that good work is being done from a productive standpoint, I do not desire to rush back immediately and impose some burden on the district.

Mr. Stubbs: You can keep it in mind though.

The PREMIER: Yes, I might keep it in mind, but I do not wish to discourage anybody from doing good work such as is being done at present. People say that the expenditure of this money will not result in the repayment of interest and sinking fund, but such expenditure has tended to increase the productive capacity of the country to a tremendous extent, and in that benefit every citizen of the State shares. Some of the

work done cannot be reproductive. The ideal system would be that if we wanted to spend money on a work that was not likely to return interest and sinking fund, we should do it out of revenue or not at all; but we have not yet reached that ideal stage, though considerable advance towards it has been made. Public buildings such as hospitals and schools are not at all reproductive, but their erection is a social obligation. When the cost of such buildings is heavy, to attempt to find the money out of revenue for their erection is unwise. On the other hand, when those buildings are likely to last for many years, it is reasonable that the money should be borrowed and that interest and sinking fund payments should be met out of revenue so that the cost will be recouped over a period of time instead of in one year. Revenue should certainly be asked to bear the maintenance costs of these public buildings and, as far as possible, the capital cost also. When such costs cannot be met from revenue, we are justified in providing those social requirements from loan money. The expenditure on such assets must be limited of course to a reasonable proportion of the loan moneys available from year to year, otherwise the burden of debt would become too heavy and we would find ourselves in serious trouble. That efforts have been made by the Government to limit the loan expenditure on objects that are not fully reproductive, is evident from the following table:—

Loan Expenditure 1929-30 to 1937-38.

Percentage Distribution According to Direct Productiveness.

Years	Fully Reproductive.	Partially Reproductive.	Other.
1929-30 to 1933-34 ..	18%	45%	37%
1934-35 ..	46%	23%	31%
1935-36 ..	63%	14%	23%
1936-37 ..	60%	17%	23%
1937-38 ..	44%	32%	24%

The reduction in the percentage of expenditure on fully reproductive undertakings last year as compared with the previous year is due to additional expenditure in 1937-38 on railways, harbours and in the purchase of the new State ship. In the preparation of the table the term "reproductive" has been interpreted as applying to those undertakings the earnings from which are sufficient to meet interest and sinking fund charges. In a strictly economic sense this interpretation would not, of course,

apply. Some of the undertakings that are classified as partially reproductive may in fact be the most reproductive because they have been the means of increasing the productive capacity of the State to a value many times greater than the initial loan expenditure. For instance, in the last seven or eight years the amount of butter manufactured in this State—formerly about a million lbs. was produced—has increased 15 times. While all the money spent on the provision of the works that made such production possible has not been recovered, the productive capacity of the State has increased to that extent.

Hon. C. G. Latham: We are not sending that money out of the State.

The PREMIER: Some of it is still going out of the State, but not so much. As a matter of fact, some of the increased goods so produced are being exported. I do not want to be an advertising agent for the Murray-Wellington district, but I was interested to discover that up to 2,000 cases of condensed milk per week had been sent to the Eastern States in the last four or five weeks.

Again, some of the non-productive work undertaken from loan moneys has speeded up the development of mining. Mining is classified as partially reproductive, yet who to-day would deny that the loan expenditure on the development of mining in this State is exceedingly reproductive? Gold mining in the last six or seven years has increased to the value of £7,000,000, though admittedly not all of that increased production has been the result of the expenditure of loan money. Much has been due to the increased price of gold. Nevertheless a considerable proportion of the increased production has been due to the expenditure of money in the goldfields area from which we are not directly getting back interest and sinking fund payments.

Mr. Doney: What are the directions in which you spent money in the goldfields areas?

The PREMIER: I will tell the hon. member later: but one instance comes to mind. Norseman is one of the rising goldfields of the State. On that field a couple of years ago we spent over £60,000 in order to provide a water supply, without which the field could not have progressed. Last year we expended £3,000 in reticulation.

Mr. Doney: The same has been done at Wiluna, of course.

The PREMIER: Yes, and all over the place. When it is remembered that the value of gold produced this year was greater than the combined value of wheat and wool members will agree that the investment of a small part of the public debt in the development and assistance of the gold mining industry has been a wise move. The amount of money we have expended from loan funds on mining development is very small in comparison with what we have spent on land development.

The shortage in the direct revenue earnings, as compared with the charges for interest and sinking fund, is less than half the amount of special taxation yielded by the gold mining profits tax, and when we attempt to estimate the far-reaching economic gain to the whole State of the direct employment of thousands of men and of the distribution of most of the value of the gold won in wages and mining costs, we realise how much we are indebted to the gold mining industry for the degree of prosperity which to-day we enjoy. The Minister for Mines can tell the House that of the increased sum derived from gold production a little over £1,000,000 was paid in dividends, but the rest has gone in wages and in other maintenance costs incidental to production. Some five or six years ago when the present Government was in office only about 6,000 or 7,000 men were employed in the goldmining industry, whereas to-day the figure is between 17,000 and 18,000. The industry has thus proved of value to the Government by reducing the number of men for whom employment has had to be found.

Hon. C. G. Latham: The price of gold has gone up, too, has it not?

The PREMIER: Yes, and new goldfields have been opened up and new avenues for the absorption of labour thus created. Of course the introduction of labour-saving devices has reduced production costs on the goldfields. I was there not so long ago, and I notice that whereas at one time dozens of men were to be found above ground in and around the plant, to-day there are only about two or three. So that while a considerable amount of employment has been found as a result of the development of mining, the provision of labour-saving appliances has enabled gold to be produced economically and at a profit.

Another undertaking to which the remarks I have already made could apply, though unfortunately to a lesser extent to-day, is the assistance given to agriculture. I am well aware of the fact that, in the light of experience, expenditure on assistance to agriculture has been too heavy. If we were commencing a new agricultural policy we would pursue a different course. Much of our progress from a pioneering colony to a well-established State, however, is the result of a bold extension of agricultural development. I remember that when I was Minister for Railways I once said we could do with 30 per cent. less railway mileage and perform an equally adequate service for the people. There was also too much expenditure on group settlement. A good deal of the money was spent extravagantly and was wasted. If we had that money again to spend in the same direction we could develop the State for half the cost. Nevertheless the expenditure of money on such projects has been justified because new industries have been started and the productive capacity of the country has been increased. It is easy to say, "You have wasted money here and wasted money there," but the fact remains that the expenditure of the money has proved of value to the State. Although it is difficult to get back the money by direct payment, we must all derive some benefit from the increased productivity of the country.

Mr. Doney: Losses of that kind are inevitable in a new country.

The PREMIER: They always seem to occur; of that there is no doubt. We used to hear a good deal about the wonderful land on the southern rivers of New South Wales and the magnificent fertility of the soil in the northern districts. We heard also of the great productive capacity of some places in Gippsland. My opinion is that with the increased use of fertilisers, and the development of irrigation and drainage, the fertility of the soil in the South-West of this State will equal that of the fertile lands of the Eastern States that are capitalised at £60 or £70 an acre. It is gratifying also to know that people are beginning to recognise the productive capacity of the land, and that there is a demand for land. Many group holdings are being taken up by people anxious to get on land which has demonstrated its productive capacity as that land has done.

Mr. Doney: And land with a reliable rainfall.

The PREMIER: That is the outstanding factor. The rainfall is probably the most reliable in the world. There we can depend upon rain at certain seasons, whereas other countries at times have floods and at other times dry periods. That brings me to the fact that one of the pressing needs of the State is an adequate supply of water in areas removed from the heavy rainfall. Our greatest difficulty and severest handicap are the absence of a good water shed 200 or 300 miles inland. Actually our water shed is an average of 20 to 40 miles inland from the coast. All our areas of heavy rainfall are situated on the western side of it and the rivers carry that rainfall into the sea. We have to conserve that water, pump it over the hills, and convey it to the inland areas whose rainfall is much lighter than that on the coast. Temporarily water is provided by catchment areas in those districts, but during recent dry years those catchment areas have proved themselves totally inadequate.

Mr. Doney: "Totally inadequate" is the right expression.

The PREMIER: There is no dodging that issue. Then we get back to the old story. Shall we do the same as we have done in regard to group settlements? Can we deliberately, with our eyes open, undertake an expenditure of £4,000,000 or £5,000,000 knowing that the return we shall get from the investment of that money directly—I wish to emphasise the word "directly"—will be interest and sinking fund on only a quarter of the expenditure? We need an economic survey of the whole position. We must ascertain what benefit the water will be to the productive capacity of the land.

Mr. Doney: We cannot judge yet whether the scheme will be economically advantageous. We have no particulars of the scheme.

The PREMIER: Recently the Minister for Works gave through the Press certain particulars of the scheme. Further particulars will be supplied. Neither the Minister for Works nor I nor anyone else can at this stage say what the return will be from the proposed expenditure.

Mr. Stubbs: Many farmers are dead against paying taxes.

The PREMIER: They remind me of the member for Murray-Wellington. Naturally, the farmers are opposed to paying taxes.

Member: Farmers are, all the world over.

Mr. Raphael: Members of Parliament are against it, too.

The PREMIER: If people can get out of paying taxes, well and good. The farmers in question have their own water supplies; but the supplies of other farmers have gone dry, and those farmers are left stranded. Many farms could carry twice or three times the stock they do carry if they had adequate and assured water supplies. Farmers are not game to buy stock in view of the risk with regard to water supplies.

Mr. Seward: That applies only in certain areas.

Mr. Doney: It does not apply in the Great Southern, where there is a great deal of water.

The PREMIER: But not sufficient.

Mr. Doney: Yes.

The PREMIER: Then why all the agitation for water supplies?

Mr. Doney: Because the water cannot be stored.

The PREMIER: Then it is no good to the farmers. Parliament will have an opportunity of discussing the whole matter in the light of what is intended to be done. When Parliament, with its eyes wide open, decides what is to be done in those districts, the Government will be ready to proceed. As at present we cannot see the end of the project, we are not justified in going on immediately. We have been criticised on the score of delay. In reply I say it is to be regretted there was not longer delay before Western Australia entered upon some schemes in its history. The "West Australian" said the Minister for Works and the Government had given an example of the acme of procrastination and of Marathon delay in this matter. However, irrespective of what anybody says, before we embark on a scheme involving the expenditure of £4,000,000, we are determined to have all possible information. Then, if with its eyes open Parliament decides to carry out the scheme, very well. But to start in, saying "We will discover later on what we can get out of it," would be unjustifiable. Better have a delay than be sorry for the rest of our lives.

Mr. Doney: Roughly, how much more delay may be anticipated?

The CHAIRMAN: I think the Premier had better not submit himself to cross-examination.

The PREMIER: For some time past the expert officers of the Government have been investigating proposals to provide adequate water supplies throughout the agricultural areas; and though some criticism has been made about the delay in publishing particulars of what has been done, I am satisfied that no undue delay has occurred. If there has been any delay, I am not sorry for it, and I do not think either the House or the country will be sorry. The scheme, I repeat, is estimated to cost £4,000,000.

Mr. Stubbs: If the cost is to be as much as that, the Bill will not pass both Houses.

The PREMIER: The hon. member looks only at his own district, but the scheme goes up as far as Dalwallinu and past Lake Grace and on to the other side of Merredin. It covers about 6,000,000 acres. It is a huge scheme which will make a tremendous difference to the country, but whether we can afford it is something that remains to be determined. The country east of Lake Brown is part of the scheme, as well as the areas southward to Gnowangerup, and east to Lake Grace, northward as far as Dalwallinu and on to districts east of Dalwallinu. It also reaches to Geraldton. The scheme represents a big question requiring a great deal of consideration.

Mr. Doney: Will it permit of being put into operation piecemeal?

The PREMIER: Yes, it will. That is one of the reasons why there has been some delay. We are now considering whether portion of the scheme shall be put in for the people who need it. If Katanning and Wagin do not want it, they will not get it. To convey an idea of the magnitude of the scheme to everybody, let me point out that its cost will be a tremendous liability to be carried by a population of less than half-a-million. The only scheme comparable to it is the goldfields water scheme, on which £3,000,000 was spent by a population of 200,000. We are less than half-a-million now, and here is a £4,000,000 or £5,000,000 scheme to be considered. It must receive a great deal of consideration. It will have to be tested from various angles, and time will have to be taken over that. I do not mind if another 18 months' investigation is given to it so long as we know where we are when discussing it. It seems inevitable that the people who will receive the water will not be able to pay for the scheme itself. Every-

thing depends on the attitude of Parliament with regard to the proportion to be debited to those people, and the proportion to be nationalised, or spread amongst the taxpayers of the State. The financial burden of the scheme is such that it will absorb a large proportion of the loan money available. In the meantime we must get on with a few little jobs that we have to do. When the State does embark on the big scheme, practically all the loan money available will be absorbed. The cost will be about £1,333,000 annually for three or four years. So there will not be much money available for other purposes.

Mr. Doney: The scheme will be a relief to the Minister for Employment.

The PREMIER: There is that aspect also. With those few introductory remarks I get back to the Loan Estimates.

Turning now to a consideration of the figures themselves, we find that the estimated loan expenditure for this year is £1,807,845, which compares with last year's actual expenditure of £2,315,004.

Railways and tramways last year absorbed £472,101, and this year's provision is £280,000, showing a decrease of £192,101. The reduction in the estimate for the current financial year is due primarily to the fact that expenditure and commitments for rolling stock and trolley buses were much greater in 1937-38 than what is required this year.

On additions and improvements to opened railways last year's expenditure was £194,925. The work consisted chiefly of re-ballasting, deviations and regrading, improvements to water supplies, installation of mechanical coaling plants, machinery for the Midland Junction workshops, and additions and improvements generally. The principal works were—Toodyay-Bolgart ballasting, Quairading-Mount Hardy deviations and regrading, Merredin-Southern Cross deviation and regrading, strengthening of bridges. Mullewa-Cue ballasting, and water supplies at Mullewa and Pithara. This year's provision, £200,000, is for work of a similar nature, and includes new dams and roofing of dams to increase existing water supplies so as to meet the demands of traffic. Mechanical coaling plants are being provided at various centres to replace existing coal bins and thus expedite loading arrangements and effect economy by reduction of handling costs and of costs of maintenance of present

structures. While it is gratifying that we shall have more of our rolling stock manufactured in the State, before one carriage or truck is available we must spend a large amount of money in providing the necessary machinery. Provision has been made for the balance of plant required at Midland Junction for the five-year rolling stock construction programme, and also for building additions needed for dealing efficiently and economically with the large amount of work carried out in the shops, more especially in maintenance and renewal of rolling stock.

For rolling stock the amount provided this year is £60,000, which compares with last year's expenditure of £203,860. Last year's amount included an expenditure of £54,000 on rail cars, besides commitments on other large items. The provision for the current financial year is intended to enable the department to continue with the rolling stock programme in order to meet the increasing requirements of traffic. The rail cars have been operating from various country centres since December last, and have proved very satisfactory from the viewpoint of the department and the public generally. The six months' operations have resulted in a surplus of £5,539, after meeting interest, depreciation and working expenses. The details are set out in the Commissioner's report for the year ended the 30th June last. I remember when we were discussing the subject of rail cars three or four years ago, it was agreed that it would be wise to spend this money. We have had experience of the cars, and our hopes, expressed at that time, have been realised by actual results.

Hon. C. G. Latham: They should have been purchased years before because we were losing all that traffic.

The PREMIER: There are many things we should have done years before. Perhaps we should have secured the trolley buses before.

Hon. C. G. Latham: I still think that the trolley buses represent a waste of public money.

Mr. Marshall: Can the Premier tell us whether the trolley buses will be taken to South Perth?

Mr. Cross: That would be a fine proposition.

Mr. Marshall: It would be better if we had a trolley bus service from the town of Wiluna to the mine.

The PREMIER: Events have fully justified the installation of the trolley buses. I know that the Leader of the Opposition will never agree that the Government acted wisely in this direction; public support, however, proves that this form of transport is appreciated.

Mr. Doney: Have the buses had a detrimental effect on the tramway system?

The PREMIER: No.

Mr. Seward: What about the suburban railway traffic?

Hon. C. G. Latham: It cost a good deal to remove the tram rails from Stirling-highway.

The PREMIER: I know that the traffic has more than doubled itself since the inauguration of the service. That proves that there was need for the change.

Mr. Cross: And the buses can be run for 6d. or 7d. per mile less than it costs to run the trams.

The PREMIER: A few words about electricity supply. Last year £30,000 was provided to meet commitments in connection with the new "B" station. The total estimated cost is approximately £662,000 and the expenditure to the 30th June, last was £538,050. As final payments will not be made until 12 months after the new unit has been taken over, loan funds will not be required this year. Trials are at present being made and it is expected that the station will be in operation on the 1st January next.

On the subject of harbours and rivers, the expenditure last year was £92,167, and the estimate for the current year is £97,500. The construction of Victoria Quay and "H" shed was completed at the end of September, 1937. This work concluded the reconstruction of the whole of Victoria Quay, and the rearrangement and alteration to the sheds, railway tracks, roads, etc. Similar work is now proceeding on the North Wharf. Reclamation work on the Swan River foreshore was proceeded with and is being carried on this year, the local authorities concerned providing a proportion of the cost.

Hon. C. G. Latham: How much are you providing for that?

The PREMIER: It all appears in the Estimates. The local authorities are providing £5,000 or £6,000. Expenditure on the Point Samson jetty reconstruction was £24,392. This work has been completed and

the jetty was opened to shipping last February. An amount of £40,000 has been provided for improvements to harbours and rivers. A sum of £11,000 has been provided for work on the North-West jetties generally, including rolling stock.

On water supplies, sewerage and drainage throughout the State, the expenditure last year was £903,577, and the amount provided for 1938-39 is £911,500. As indicating the importance of these works, it is only necessary to state that half the loan money to be expended this year will be devoted to the undertakings under this heading. Regarding town water supplies, the expenditure during 1937-38 on the Geraldton water supply was £11,440, which included boring for water at Wicherina, reconditioning reticulation mains, extensions and improvements generally. This is the third successive winter of light rainfall in this area, and, as might be expected, resulted in a poor inflow of water. The result of this was additional boring which, together with the reticulation of the town, is proceeding in a very satisfactory manner.

Hon. C. G. Latham: Where are you putting the bore—at Wicherina?

The PREMIER: No, right in the town of Geraldton. Improvements to the town water supplies at Narrogin, Derby and Bridgetown were also carried out. At Narrogin the water position was very acute and necessitated improvements to the catchment area and the provision of pumping plant. An amount of £12,000 has been provided for the Brunswick town and railway water supply. The erection of tanks and wells on stock routes has also been provided for.

On metropolitan sewerage and drainage the expenditure last year was £235,977, while for this year the provision made is £334,000, an increase of £98,023. During the year sewerage works and stormwater drains were carried out in the different suburbs, and this work is being continued.

Improvements and extensions were made to existing mains in the metropolitan area. During the year satisfactory progress was made with the Canning Dam, the wall being raised to a height of 150ft., with a storage capacity of approximately 7,000,000,000 gallons. It is expected that by the 30th June, 1939, the wall will be 162ft. high, and the storage capacity will be 9,000,000,000

gallons. Thus we should be quite safe in respect of water supplies for the metropolitan area for some years to come. Up to the end of June, 1938, the expenditure on the dam was £712,728 and indications are that the work will be completed well within the estimate of £1,250,000. Indeed, we believe that the total cost will be about £100,000 under the estimate. Credit must be given to all those who have been associated with the undertaking and it must not be forgotten that a great deal of the work carried out there was performed by relief workers, men who had never had experience of that kind. The supervising staff and the engineers connected with this great work are also due for commendation.

For the goldfields water supply, provision made this year totals £195,000 as against £218,749 last year. The principal works carried out last year were—the completion of the reticulation of the Norseman town-site at a cost of £3,105; the provision at Northam of a new service reservoir of 1,000,000 gallons to improve the town supply; the cement lining of the reticulation mains of Northam, Beverley, Toodyay and Kalgoorlie was commenced; the mines main at Kalgoorlie was increased in capacity by replacing with 20in. cement-lined steel pipes, an equivalent length of 16in. cast iron pipes that had been in use since 1903, and which had become inadequate to supply the increased demand for water by the mines. The work of renovating the main conduit was continued. During the year 1¾ miles of new 30in. cement-lined steel pipes were installed and 29¾ miles of the original main were replaced by cement-lined renovated 30in. locking bar pipes. This work accounted for the greater part of the expenditure and will be continued during the current year. Besides reducing leakage and renovation costs very considerably, the work will ensure the useful life of the main being prolonged indefinitely. The cement lining of pipes for branch reticulation mains will be continued. Other works provided for include improvements and extensions to branch mains, service reservoirs and the usual extensions to town reticulations.

The expenditure on water supplies in other goldfields was as follows:—

	Last Year.	This Year.
	£	£
Eastern Goldfields ..	721	6,000
Murchison Goldfields ..	4,965	8,000
Pilbara Goldfields ..	—	500

The principal works last year were—improvements to Meekatharra water supply, provision of a water supply at Youanmi and boring at Big Bell. Provision has been made this year for reticulation of Big Bell townsite, improvements to Cue water supply, boring for water at Evanston and reticulations and extensions generally.

On water supplies, irrigation and drainage in agricultural areas we spent last year £117,214 and this year's provision amounts to £230,000. Last year the expenditure was on account of Collie and Waroona irrigation channel lining, and irrigation and drainage generally in the South-West, the provision of tanks in the agricultural areas, and this is being continued this year. The provision and improvement of water supplies to the goldfields, to which I have just referred, cover one of the main necessities in the development of mining. An illustration of this is afforded by the growth of the mining industry at Norseman.

In the development of the goldfields (apart from water supplies) the expenditure last year was £28,475, and this year a sum of £41,000 has been provided, an increase of £12,525. The expenditure last year was for purposes similar to those in previous years, being principally for assistance to prospectors, the erection and improvement of State batteries, and loans made under the Mining Development Act. The expenditure on assistance to prospectors was £5,856, of which £1,831 was repaid by the persons assisted. During the five years in which this scheme has operated we have advanced £98,986 and the repayments have totalled £18,764. The assistance granted has been supplemented by grants from the Commonwealth Government, of which last year the sum of £19,910 was expended. Up to the 30th June last, the amount of Commonwealth money advanced to prospectors was £79,734.

With the exception of £3,000 of Commonwealth money unexpended at the 30th June last, the State this year has to meet the full cost of assistance to prospectors, the Commonwealth grants having now ceased. A sum of £21,000 has therefore been provided for the purpose. The mining industry is of such importance, and has grown to so great an extent, that additional expenditure must be incurred to render the preliminary help necessary for the consolidation of new gold finds and the pro-

vision of additional battery facilities. Arrangements have been made to increase the size of the State batteries at Marble Bar and Mt. Magnet, and to provide a new cyanide plant at Coolgardie. When opportunity offers, generous assistance will be given as in the past, so that we may help the industry which has done so much for the development of the State, particularly during depressed conditions in other branches of production. Whenever requests are made to me for money, I shall have no hesitation in doing my utmost to supply the need. Western Australia owes a debt of gratitude to the mining industry for what it has done for the State.

The expenditure on the development of agriculture, forestry, etc., last year was £154,393, and this year we have provided £176,500, an increase of £22,107. The expenditure on abattoirs last year was £2,965, this being for additions and improvements to the establishments at Midland Junction and Kalgoorlie. The amount provided this year, £3,000, is for similar work. The item "Development of agriculture" is for reconditioning vacant holdings, land clearing at Wooroloo and Whitby Falls, settlement at Nannup, Nornalup and Albany, and experimental work and buildings on the Avondale and Wongan Hills State Farms. The expenditure last year was £81,294, and this year we are providing £94,500, this being for work of a similar nature. The expenditure of £8,471 under the heading of "Assistance to settlers, industries, etc." was for advances to pearlers and banana-growers, and a sum has been provided this year for a similar purpose. The amounts will not cover what we have already granted by way of assistance. We have advanced £15,000 or £16,000. I hope this will be returned before the end of the financial year, and for that reason it does not appear on the Loan Estimates.

Hon. C. G. Latham: That is for the pearling industry.

The PREMIER: To keep that industry going. The Minister for the Interior promised, after his visit, that the policy of providing a bounty would be adopted by the Federal Government. Unfortunately, owing to contrary influences, we do not know now what is going to happen. We hope that some assistance will be provided. Failing that, the outlook for the pearling industry will be anything but good. Unless

a large sum of money is made available, most of which will not be returned, it seems that the pearling industry will go out of existence. We intend to make a big effort to prevent this, but a fairly large volume of assistance will have to be given by the Commonwealth Government.

Last year the expenditure on forestry was £61,576, in addition to which we received £25,000 from the Federal Government as the final contribution under the Commonwealth Aid to Forestry Scheme. We are getting to the end of the assistance that the Federal Government renders to the State in respect of several different aspects of development. To provide employment, the Commonwealth gave £100,000 for forestry, and a considerable amount for mining. This year we reached the end of the grants provided by the Commonwealth. The requirements for defence are such that the Federal Government cannot continue to make money available to the States, and work that has been done with the help of the Commonwealth will now have to be carried out by the State. At any rate, the utilisation of such amounts as we have had has enabled an extensive programme of work to be carried out, including the regeneration of cut-over jarrah and karri forests, the establishment of mallet plantations, the maintenance and extension of pine plantations, and a considerable amount of road and fire prevention construction. A sum of £75,000 has been provided this year for the carrying on of this work. This is approximately £13,000 in excess of last year's expenditure, due to the termination of the Commonwealth grant.

The amount set down for roads and bridges is £50,966, but this includes £37,466 spent last year and charged to suspense, as there was not sufficient loan authorisation. The amount of new money, therefore, is only £13,500, and this is required to meet commitments left over from last year. So far as new works are concerned, I am hopeful it will not be necessary for us to incur any loan expenditure upon roads. If the necessity arises, we may have to do it for the purpose of finding employment, though I hope the outlay will be small. The expenditure last year was principally in respect of assistance to local authorities, under the scheme which I explained in my opening remarks.

A sum of £9,000 has been provided this year to continue the small loans scheme

inaugurated in 1933 under the administration of the Workers' Homes Board. No money has been provided for this for some time. When building was active, it was not the policy of the Government to continue finding money for this purpose. There is now some slight falling-off in building activity, and we are providing for an extension of the scheme, which besides assisting employment and being a convenience to the public, has been satisfactory from the financial standpoint. We have not lost any money provided under the small loans scheme.

The expenditure last year on public buildings was £81,084, and was for the erection of and additions and improvements to schools, police stations, courthouses, public buildings generally, the sewerage of public buildings, machinery for the Government Printing Office, and the Government's portion of the cost of the Infections Diseases Hospital. The expenditure allowed for this year is £92,000. Included in the provision is a grant to the Hospital Fund to assist in meeting the cost of new buildings, including the fund's portion of the cost of the new King Edward Maternity Hospital. The Leader of the Opposition will recall that the cost of the upkeep of Wooroloo has been handed over to the Hospital Fund. This left the fund short of money with which to provide necessary buildings elsewhere, and we have found it necessary to make a grant to assist the fund.

An amount of £5,500 has been provided for water supplies on native stations, the purchase and reconditioning of settlements, and additions and improvements to native hospitals. The Workers' Homes Board has been given additional capital of £10,000, with which to augment the repayments of capital and assist in providing some of the housing requirements of the people. Considerable progress has been made with the rebuilding of Cave House at Yallingup. It is hoped to have this completed in time for the tourist season. The expenditure last year, including commitments already entered into, was £18,922, and £6,500 has been provided this year to complete the work. A sum of £3,500 has been allotted for the purchase of a new launch for the South Perth ferry service. The expenditure last year on the new ship "Koolama" was £215,325. Of this, £212,800 represented the balance of the purchase price paid in London. The re-

mainder, £2,525, was for legal and other costs incidental to the purchase. The provision of £12,000 this year represents the net cost of bringing the ship out, and preparing it specifically for the North-West service. The vessel, which made it first trip on the North-West coast last May, has been most successful in her running, and she is proving a great acquisition to the service.

This completes my story of our loan undertakings. It is, I believe, a story of steady progress towards the building up of a well-balanced economy, which must be our aim. The Government has a difficult task in deciding in which direction the limited loan funds at its disposal should be expended. We must of necessity refuse requests which, to those who submit them, appear reasonable and necessary, because of lack of funds and of more pressing needs in other directions. If we had unlimited funds, there is much work we could do. It is, however, essential to keep our expenditure in step with our progress, and it is probably to our advantage that we should exercise the greatest caution in choosing the works to be undertaken. In common with the early history of most countries, this State has concentrated on the development of primary industry. Although expensive from the standpoint of loan indebtedness, this policy has led to a solid and sound foundation being laid.

It is an axiom that no country can become really great without commensurate industrial progress in its secondary industries. One needs only to look at the history of Great Britain, America and, more recently, Japan, to realise that the power and influence of nations grow proportionately to their industrial development. Australia generally has made great forward strides in the last few years. If we in this State are to continue advancing our relative importance, progress and development, we must plan to have more diversified industries, preferably manufacturing more commodities that are necessary for our own requirements. With the establishment of a bureau of industry indicating where and how Government encouragement and assistance should be given, I am hopeful that in the years immediately ahead of us the Loan Estimates will be altered in principle so that we have a better-balanced development.

Although our primary industries have suffered a setback because of adverse seasonal

conditions, I regard that as only a passing phase, although serious in its consequences to the State. A still more serious aspect is the uncertainty of the prices that our commodities in the future will realise.

Hon. P. D. Ferguson: That may not be a passing phase.

The PREMIER: The adverse climatic conditions are a passing phase, but we do not know how far we shall have to go before we come to the end of the low price phase. If, however, we can maintain our primary production, and progress with our other potential industries, we need have no fear or alarm about the future. On the contrary, we should be able to look ahead with entire confidence, believing that the people of the State will be afforded ample opportunity to achieve security and prosperity.

Progress reported.

Sitting suspended from 6.15 to 7.30 p.m.

BILLS (2)—THIRD READING.

- 1, Fisheries Act Amendment (No. 2).
 - 2, Road Districts Act Amendment (No. 2).
- Transmitted to the Council.

BILLS (2)—RETURNED.

- 1, Financial Emergency Tax.
 - 2, Financial Emergency Tax Assessment Act Amendment.
- Without amendment.

BILL—INCOME TAX ASSESSMENT ACT AMENDMENT (No. 2).

Second Reading.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [7.33] in moving the second reading said: The Bill is similar to that which was introduced a few days ago, but has since been withdrawn, with the exception that the provision dealing with rates of deduction to be made as contributions towards the income tax to be assessed later, has been deleted. I have already explained the provisions of the Bill and feel it unnecessary to repeat what I said previously. A separate Bill will be introduced im-

mediately dealing with the rates deduction. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

BILL—INCOME TAX (RATES FOR DEDUCTION).

Second Reading.

THE PREMIER (Hon. J. C. Willecock—Geraldton) [7.35] in moving the second reading said: This Bill is complementary to the one I have just placed before members. It is short and the purpose is simple. The introduction of the Bill has been rendered necessary because the House took some exception to the inclusion in the one Bill of provision for the collection of instalments of income tax. When the comprehensive Bill was introduced, a point of order was raised regarding the inclusion of that provision. I considered then that the Bill was in order and I still think so. On the other hand, I do not desire to delay the passage of an important Bill by discussing technicalities, particularly as the difficulty is easily overcome by the introduction of the present Bill, which is in accord with the Standing Orders and in order in every way. If this is the method members consider the better, I certainly have no objection to dividing the comprehensive Bill into two measures, so that both phases may be discussed separately. Naturally the Bill must be read in conjunction with the Income Tax Assessment Act Amendment Bill (No. 2), the second reading of which I have just moved. The Bill deals with deductions only and the rates are the same as those included in the original Bill. They are 6d. in the pound on all wages and salaries under £8, and 9d. in the pound on all wages or salaries exceeding £8. Members will see that deductions may be made despite the fact that Parliament may not have fixed the rate of tax to be imposed. A person would have to be a super-optimist if he thought the State could do without the income tax altogether.

Mr. Watts: We may dream about it.

The PREMIER: We all know such a Bill must be introduced and that, in accordance with the reception of such measures during the last 25 years, will be passed in one form or another. The Bill provides that pending the fixing of the rate of tax, payments may be made in instalments, notwithstanding

that assessments of income tax have not been issued. The system outlined has been in operation in Victoria and South Australia, and the legislation is somewhat similar to that operating in Great Britain. The system apparently meets with general acceptance by those who have to pay the tax. Naturally the arrangement does not suit the department whose convenience would be met to a greater degree if one payment only were involved. In that event, one receipt would be tendered and the whole transaction would be completed. On the other hand, the system has proved of convenience to the public. I anticipate that some difficulty will be experienced at the inception, but when the scheme is in working order, I think the effect in Western Australia will be similar to that in other States where it has been adopted, and no desire will be indicated to return to the system of one lump sum payment. The proposal for the payment of instalments prior to assessment will, I believe, meet with the approval of the majority of taxpayers. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

ANNUAL ESTIMATES, 1938-39.

In Committee of Supply.

Resumed from the 15th November; Mr. Sleeman in the Chair.

Public Utilities:

Vote—Railways, Tramways, Ferries and Electricity Supply, £3,315,200:

MR. SEWARD (Pingelly) [7.40]: I have not a great deal to say on the Railway Estimates, because during the Address-in-reply debate I dealt with matters affecting the administration of the railways. The first subject I shall mention was indicated in the questions I asked the Minister this afternoon in connection with the Kalgoorlie refreshment room. To me it is a pity that visitors from the Eastern States can find cause for complaint under that heading. I met some who arrived the other day, and when I asked them how they enjoyed the trip, they said everything was quite all right except the meals supplied at the Kalgoorlie refreshment room.

Mr. Warner: They must have had one of Gorman's pies!

Mr. SEWARD: I asked if they intended to lodge a complaint, and they said they proposed to do so. Apparently they did not carry out their intention. This is by no means the first time a complaint has been voiced regarding the railway refreshment rooms. Considerable time has elapsed since I last travelled over the Transcontinental railway, but I recollect that on that occasion the best meal served throughout the journey was the one after we left Kalgoorlie. That was the unanimous opinion of the passengers. The meal was by no means elaborate. As the member for Kalgoorlie (Mr. Styants) said last night, an elaborate meal is not required on the train. At any rate, I think it a pity that inter-State passengers could voice a complaint about the meal provided by the Kalgoorlie refreshment room. The matter should be looked into by the Minister because, as I said before, this is by no means the first complaint regarding the refreshment rooms under the charge of the present lessee. In the Commissioner's annual report, he mentioned that last year criticism was offered regarding the State railways in comparison with those of South Africa. In his comments the Commissioner refers solely to the financial phase. Last year I was particularly careful when comparing our railways with those of South Africa to exclude financial considerations because it is impossible to compare the two systems from that aspect. In South Africa the Commissioner of Railways deals not only with the railways, but with harbours, coal mines, airways, and other services and the whole concern has a capitalisation of, if I remember aright, about £151,000,000. Consequently, I would not dream of comparing our railway system with that of South Africa. The criticism I offered was with regard to the provision for the travelling public. I cannot allow the Commissioner to get away with his comments as though the criticism related to financial considerations. On the other hand, I commended the South African authorities for the manner in which they had overcome what is described as unfair competition arising from the use of motor trucks. They improved their passenger accommodation and speeded up the railways with the result that the lost passenger traffic was largely recovered.

The Minister for Railways: But the railways control the road traffic in South

Africa. If they lost traffic, to whom did they lose it?

Mr. SEWARD: They regained their passenger traffic. I quoted the figures last year. I think the passenger traffic regained represented, in four years, something like 20,000,000 passenger journeys, whereas in this State we were losing, and are still losing, our passenger traffic. I shall deal with that phase a little later. The member for Canning (Mr. Cross) commented upon the financial results of our railway system and attempted to show that on all the undertakings under the control of the Commissioner—ferries, electricity supply, tramways and railways—a surplus of £12,000 had been disclosed. I desire to draw attention to the following paragraph in the report of the Auditor General—

The interest charge brought into the "Commercial Accounts" prepared by the Railways is lower and, presumably, does not include exchange, consequently their accounts are presented on a more favourable basis than those of other concerns.

It is extraordinary that while other State concerns include exchange in their interest charges, the Railway Department should omit it and consequently be able to present a more favourable balance sheet. That is not right. The general rule should apply to the Railway Department, so that its accounts can undergo the same tests as those of other departments.

I regret to learn that the bulk handling facilities that were promised for Fremantle have not been proceeded with, because there may be a difficulty in selling our wheat this year and the question of storing it will probably arise. I am aware that the money we hoped to obtain from the Loan Council to provide this facility was not obtained. That, however, need not have deferred the Government, as the company concerned is able, if necessary, to obtain capital and build the works without cost to the Government. It would pay the Government to let the company erect the works, because then trucks would be liberated and the handling of our wheat materially facilitated. Some consideration should be given to the offer of the company to erect this facility. I do not regard as legitimate the excuse that the Government has not the money available to proceed with the works.

I congratulate the department upon the fact that last year 52 new CXA trucks were constructed and put into commission. I

notice the department is making provision for another 50 of these trucks. They are very valuable and have been favourably commented upon since they were first put on the line. The intimation that this extra provision is being made will be pleasing to the producers of fat lambs and sheep owners. The other night the Minister commented upon the fact that the department had been forced to provide open trucks for the carriage of sheep last year, but that was not the fault of the department. It was the fault of the brokers for arranging sales on succeeding days. I was able to prove by correspondence that the brokers did not give the department sufficient time, in my opinion, to provide trucks. The brokers conducted a sale of 10,000 or 15,000 sheep on a particular day, and ordered the trucks only on the morning of the sale. Obviously, the department was not given a fair chance to provide the trucks. I express the thanks of the sheepowners of the State for the provision by the department of the extra trucks. At the same time, I desire to renew the application I made some time ago that when large bogey trucks are supplied to sheep owners in the southern part of the State, provision should be made to divide the trucks into two compartments. I understand that is not required by the pastoralists in the north. In the Great Southern districts, however, the sheep are loaded at the side and get a very rough passage in the truck. There is a large number of sheep in each truck and, with the shaking and the jerking, they are banged from one end of the truck to the other, the result being that many are injured and some killed before the arrival of the train at Midland Junction. I hope the Commissioner will favourably consider this request.

I notice from the Commissioner's report this year that there is a falling off of 632,527 in the number of suburban passenger journeys. The Commissioner says—

The substantial decrease in the suburban traffic—632,527 journeys for £10,476—although disconcerting, was not unexpected. Investigation disclosed the falling off was mainly between Perth and Fremantle, where road facilities are excellent both for private cars and road vehicles.

When introducing these Estimates, the Minister said that a fair number of new trolley buses had been put into service. The Premier, when speaking on the Loan Estimates to-day, said that the trolley buses have become popular and are well patron-

ised. That is obvious. People want the most up-to-date and best means of transport. No one would contend to-day that the railways, or even the tramways, are superior to trolley buses. I submit for the Minister's consideration the suggestion that the department should consider seriously whether the time has not arrived when the department should abandon suburban railway traffic altogether. When this form of transport was introduced, it was the best available and naturally received the patronage of the people. The railways and tramways were, however, laid down in the more closely settled suburban areas. Times have changed. I venture to say the train service is no longer convenient to 75 per cent. of the suburban areas. Consequently, the mode of travel for the future will be motor buses and trolley buses.

The Chairman of the Melbourne Tramways Trust has only recently returned from a world tour, after having made a thorough investigation into transport problems in various parts of the world. On his return he definitely said that trolley buses would not be installed in Melbourne because they were no longer the most up-to-date means of transport. Of course, the Collie coal question largely influences us in the use of trolley buses. I bring this particular phase under the Minister's notice, however, so that he may give it consideration when the extension of travelling facilities to our outer suburban areas is under discussion. There should be no further extension of the tramway system.

The Minister for Railways: The Melbourne Tramways Trust is putting on double-deck buses.

Mr. SEWARD: Only for the outer districts.

The Minister for Railways: In Bourke-street.

Mr. SEWARD: No.

The Minister for Railways: The chairman must have changed his mind, because he said the trust intended to electrify the tramway system.

Mr. SEWARD: I will send the Minister the cutting from which I obtained my information, so that he may correct himself. The chairman of the Melbourne Tramway Trust said he was importing a new engine from Germany which, in his opinion, would revolutionise the transport business. I think Errin is the name of the

engine. If I am not mistaken it is a gas engine. At all events, this authority, the chairman of the trust—I take it he is an authority—was sent Home to inquire into the matter. He is convinced that the Errin engine is the engine of the future. He made the statement that trolley buses were no longer the best means of coping with large suburban traffic. Since reading that report, I notice that trolley buses are losing favour in England. I do not press the abandonment of trolley buses in this State, because they are necessary to safeguard the interests of our Collie coal miners. I again urge the Minister that the question of the abandonment of the suburban railway traffic should be seriously considered, because in my opinion that money could be used to better advantage in other parts of the State.

I wish particularly to mention country branch lines, which are in the same state to-day as they were 25 or 30 years ago. Mixed passenger and goods trains run over these lines, and some of the trains occupy nine hours for a journey of 80 miles. I refer to the line between Kondinin and Narrogin. On arrival at Narrogin, one has to stay there overnight and continue the journey to Perth the next day. In my opinion, branch lines should have Diesel cars. These are provided on the main lines from Perth to Katanning and Merredin. Passengers on those lines travel comfortably and fast enough; but settlers along the branch lines in country areas, who have so many difficulties and troubles to overcome, are the people who should be provided with fast passenger trains. I am convinced, as I said last year and on other occasions, that if Diesel cars were provided for the branch lines, the railways would receive greater patronage. It is only because a journey over branch lines to Perth occupies two or three days that the people in those districts are forced to disregard the railways and avail themselves of motor cars or trucks.

The Minister for Railways: There are not enough people on the branch lines to patronise the railways.

Mr. SEWARD: I am convinced that the people in those country areas would travel by train if the facilities were improved. I hope the Minister will give consideration to my suggestion. When introducing these Estimates, the Minister told us that the Kal-

goorlie express had been speeded up, and he mentioned that the engines on that line had been renamed. I seriously ask him if he will consider renaming the engines on the Albany line, if it will have the effect of speeding up the Albany express.

The Minister for Railways: That express travels at the rate of 40 miles an hour.

Mr. SEWARD: I think it unfair that people travelling from Albany to Perth should have to put up with so many stops en route, even including stops at suburban stations from Midland Junction to Perth. I do not want the express to travel at 40 miles an hour; that would probably be unsafe on our lines.

The Minister for Railways: But the Albany express does travel at that speed.

Mr. SEWARD: Many delays at small country stations, such as Spencer's Brook, should be avoided. On Friday nights the Albany express leaves Perth and stops only at Midland Junction, Chidlow and Spencer's Brook. The same stops are made on the journey when the train arrives in Perth on Friday mornings. The express should stop only to take in water. That is a fair request to make. The express should not stop at so many country stations for refreshments. At present the Albany express stops at Katanning, Wagin, Narrogin, York, Beverley, Spencer's Brook and Chidlow. The passengers do not want to obtain refreshments at all those places. If people joining the train at any of those stations desire to obtain refreshments, then the refreshment room could be opened a quarter of an hour or 20 minutes before the arrival of the train. Passengers do not want to get out of a train at 1, 2 or 3 o'clock in the morning to have a cup of tea; they would prefer the train to proceed to its destination. I hope the Minister will be able to do something to avoid the unnecessary stoppages. The Commissioner, in his report, refers to the fact that much traffic is lost to the railways through competition by motor buses. I may be permitted to quote a case to show that it is not altogether the motor buses that take the business from the railways; it is often the fact that the railways do not bother about getting the business. I wish to mention the case because it is authentic and it came under my notice last year. A business man conducting an electric lighting station heard of a boiler that was for sale in the country, probably 200 or 300 miles away.

He went there to inspect it and saw that it satisfied his requirements. On his return he interviewed the railway authorities and asked for a quote for the conveyance of the boiler to the destination where he desired to have it. In due course the quote came from the Railway Department and it was about £100. The man said that he could not pay that sum and he would have to leave the boiler where it was. The Railway Department adopted the attitude "That will be the freight; take it or leave it." As the boiler was needed, the purchaser thought the matter over and discovered that it would have to travel for a certain distance over the Midland line. Approaching the Midland Railway Company he asked for a quote for the removal of the boiler. The reply he got from the Midland Company was that the manager would be only too pleased to discuss the matter with him and, on calling at the Midland Company's office, the subject was investigated and the quote given him was between £50 and £60. The result was that the Midland Company got the job and brought the boiler down. There we have an instance where the Government railways, by adopting the attitude of "take it or leave it" lost revenue which was secured by the Midland Railway Company.

Hon. P. D. Ferguson: Yet the Midland Company for a truck of bulk wheat will charge you a jolly sight more.

MR. SEWARD: I am not dealing with wheat. If the Minister desires to have it, I can give him the name of the person who entered into the contract with the Midland Company for the removal of the boiler. That is an instance that bears out that the Railway Department does not seem to care whether it gets business or not. The attitude of the department is such that the people in the country districts fail to understand it. The matters to which I have referred are all that I desire to mention on the Estimates. I trust the Minister will take some notice of them, and even though the railways may say that I am against them, I assure the Minister that that is not so. If the department would only consult the people who use the railways, the officials would probably get a considerable amount of help because the customers of the department can see a great deal more than the person who sits in the office, or who goes out probably in the Commissioner's car. If the department invited the co-operation of the public,

the railways would in the end receive very much better patronage than they have had during the last few years.

MR. SAMPSON (Swan) [8.4]: I am glad to have the opportunity to record my appreciation of the remarks of the Minister in respect of the extension of electric current to the outer districts that are so greatly in need of it. I am gratified that the Minister was sufficiently interested to make a personal inspection of the districts I represent, and that he appreciated the opportunity that exists in the outer suburban districts for the extension of current. When the extensions are made, there will be established such an era of prosperity that will mark an epoch in the progress of those outer districts. The extensions will mean an increase of population and a decrease in the number of those who, by force of circumstances, are compelled to accept sustenance. Though one might well be pardoned for feeling some regret that so many years have passed since extensions were first sought, nevertheless, hope springs eternal and it appears that we are on the threshold of a definite advance. I hope the remarks of the Minister will be reflected by a ready acquiescence on the part of the Treasurer to find the necessary funds, and I know that when the extensions are made there will be full justification for the money that has been expended. I have always been amazed that the Government has not been prepared to find the small amount necessary to carry out this work because, as I have said on other occasions, the extensions of current to the outer suburban districts would make a great difference in the revenue received from other sources. If there is any sincerity in the general viewpoint that has been expressed, definite encouragement should be given to people to move out from the city and to live better, more useful and longer lives in the outer suburban areas. The position regarding the Electricity Supply Department as disclosed by the reports placed before us is gratifying. The profits for the year amounted to £31,810, as compared with £24,901 for the previous 12 months. That is proof that of all the Government utilities none produces a return equal to that of the electricity supply. We must realise, too, that the excellent profit of £31,810 resulted after provision was made for the pay-

ment of the increased basic wage. That is all the more satisfactory. I notice also that the power station is generating more current. In 1934 the figures were 91,000,000 kilowatts, and in 1938 122,000,000 kilowatts. I trust that current will be made available, as I have already said, to the outer suburban areas, to enable those areas to advance. They cannot expect to do so unless they get this facility. A living cannot be obtained from fruit growing or vegetable production unless cheap power is provided. I repeat that I appreciate the practical interest displayed by the Minister in visiting the districts that will be affected, and I am hopeful that as a result of that visit there will be an early consultation with the Treasurer and a decision arrived at to make the extensions.

MR. HILL (Albany) [8.12]: Our railways receive quite a lot of adverse criticism, and I am afraid that a big proportion of that criticism is justified. Comparisons with our railways and those of South Africa show us up in a very bad light. I do not agree with those who contend that the two countries are not comparable. We have more to learn from South Africa than has any other country, but our trouble is that the Government of this State is not out to learn, as it should be. It is in a groove, and will not shift. I realise that South Africa has cheap labour, cheap coal, a population of 2,000,000 Europeans and 6,000,000 non-Europeans, but our transport problem is very similar to theirs. They have a big area to serve, as we have. The revival in gold-mining is largely responsible for their prosperity. It has also saved this State from bankruptcy. Nature has been far kinder to us than it has been to them. Although their railways have been constructed with cheap labour the average cost per mile is over £9,000, compared with £6,000 in Western Australia. Admitted that their railways have heavier rails, engines, etc., than have ours; they need the heavier rails and engines because of the nature of the country. We have one tunnel in this State, while on one line in South Africa, 300 miles in length, there are about 16. Further, we have had to spend very little on bridges, whereas South Africa has had to spend millions. Our troubles in this State are largely due to the obsession that a reduction of railway

mileage means reduced cost. The policy of charging railrage on a mileage basis is responsible for this state of affairs, and the result is that we have railways and ports all over the place.

There is hardly a part of the State which, at some time or other, has not had its pet railway or port scheme, and because of this our administration, as compared with South Africa's, is severely handicapped. There the average charge is 1d. per ton per mile; in this State it is 1.76d. Their railways made a profit of £6,400,000 last year, ours with sinking fund and exchange a loss of £250,000. South African ports made a profit of £677,000; ours made a loss of £34,000. I will briefly endeavour to show where we can learn from that Dominion. First, let us compare the administrations. All their railways, ports, bulk handling, tourist activities, airways, steamships and motor services are under the general manager of Railways and Harbours, who is responsible to the Minister for Railways and Harbours. We have our railways, which represent 30 per cent. of our total State debt, administered by the Minister for Railways. Our ports are controlled in two cases by local harbour authorities, in some cases by the Railway Department, and in others by the Harbours and Lights Department.

Mr. Wilson: And South Africa employs black labour.

Mr. HILL: We want to learn what we can from them and not worry about other things. The Minister for our ports is the Chief Secretary, who is also Minister for State Shipping. Our Tourist Bureau is under the Premier's Department. Our Transport Board is under the Minister for Works, and we have the Minister for Lands messing around with bulk handling.

The Minister for Mines: Why messing around?

Mr. HILL: I will explain it some other time.

The Minister for Mines: You're out of order in "messing around."

Mr. HILL: In 1929 a committee was appointed by the Commonwealth Government to report upon transport in Australia. Part 6 of that committee's report reads—

Co-ordination cannot be effected solely by the passing of Acts and regulations containing various restrictions.

A suitable organisation to meet the requirements of the different States is necessary, to-

gether with adequate executive authority to carry out its duties effectively.

The organisation will vary with the conditions in each State, but action along the following lines is suggested:—

(a) All transport activities to be grouped under the one Ministerial head, who will be responsible for the whole transportation policy.

(b) The establishment of a co-ordinating authority which would be responsible for carrying out the transport policy approved by the Government.

(c) The co-ordinating authority may take the form of one of the following:—(1) Commissioner of Transport with advisory committee; (2) Transport Board; (3) Advisory council representative of interests concerned.

I am convinced that had our Government carried out this and other recommendations of the Commonwealth committee, our railways would have been in a much better position to-day. Some people consider that with the development of motors, railways are obsolete. In South Africa, the authorities are continually aiming at improvements in their transport. In September, 1936, a conference of the leading administrators of all British territories in or adjacent to Africa was held to discuss transport problems. This conference appointed a committee, and on page 34 of the report of the South African Railways and Harbours appears the following:—

This committee, being impressed by the urgent need that all forms of transport should be developed along sound and economic lines, resolves—

(a) That the railways are a vital factor in agricultural development and in preserving the primary industries of any country;

(b) That the existing long-established world-wide railway policy of charging high rates for valuable traffic and low rates for primary products is essential to stimulate and maintain primary production;

(c) That the policy mentioned in the preceding paragraph is seriously imperilled where uncontrolled competition with the railways by other forms of transport is allowed;

(d) That having regard to what is stated in paragraphs (a), (b) and (c), a scheme of control of transport is necessary in the best interests of any country;

and recommends that suitable legislation be introduced in all territories to bring this about. It believes that such legislation is not only necessary in the interests of the public as a whole but also in the best interests of each form of transport, inasmuch as the security and stability thereby attained would encourage the investment of capital in establishing or improving transport undertakings.

It has been found necessary in most countries during recent years to adopt legislative measures for the control of public transport, and the following brief summary of the outstanding features of the most recent legislation in other countries, as set out in the United States Department of Commerce publication, "Railways and Highways Transportation Abroad," and in the "International Railway Congress Bulletin," is of interest:—

Australia (Queensland).—Road vehicles competing with the railways are taxed at the rate of 1½d. per ton per mile, and 1½d. per passenger per mile, on all goods and passenger traffic conveyed. These taxes are in addition to the ordinary motor tax.

Australia.—Road transport parallel to railways for distances exceeding 62 miles is prohibited.

Belgium.—Transport services competing with railways must pay an indemnity to the railways.

Czechoslovakia.—Heavy restrictions are placed on motor vehicles operating for a greater distance than 18 miles, except when such services are acting as feeder services to the railways. On heavy lorries, a super tax, approximately three times as great as the ordinary tax, must be paid by all operators who do not enter into a working agreement with the railways.

Hungary and Rumania.—Road transport has been declared a State monopoly. The State, however, can let out to private contractors the right to operate services under certain conditions.

Italy.—Road transport vehicles are taxed on a ton-mileage basis, which has the effect of discouraging long-distance traffic. Taxes on road goods transport are utilised to subsidise inland water services and motor lorry services which act as feeders to the railways.

Switzerland.—Operators of road passenger services which compete with railways are required to pay to the railways a special tax of two centimes per passenger per mile to compensate the railways for loss of revenue.

Tasmania.—Vehicles competing with the railways are taxed from 2½ per cent. to 8½ per cent. on the revenue earned, according to distances over which they compete.

Overseas Visits.

The Granet Commission in its report published in 1934, stressed the value of contact with railways overseas, as follows:—

We desire to call special attention to the great benefit to be derived from sending members of the railway staff to study railway methods in other countries.

Mr. Needham: What are you quoting from?

Mr. HILL: From the last report of the South African Railway Department. The Granet Commission's report continues:—

While it is not contended that everything done elsewhere is either right or

applicable to conditions at home, we have found from actual experience on our respective railways that apart from the educational value of such visits to the officers concerned, the financial benefits arising therefrom far outweigh their cost. In order to obtain the best results, such visits should be systematic and frequent, and of sufficient duration to enable the officers concerned to make a thorough investigation of the subjects entrusted to them according to a defined programme. On their return, the results of their investigations should be carefully considered with a view to deciding to what extent the information obtained could be made use of at home. In many cases it may be found necessary to repeat the visit, not necessarily by the same officer. In this connection, our experience has convinced us that it pays to have almost continuous series of these investigations. In certain cases it may be found beneficial to arrange for an exchange of officers for a comparatively extended period, so that a particular problem may be investigated in all its aspects.

The general manager of the South African railways, commenting on the report, said—

I am in full accord with the views expressed by the Commission, and in recent years many investigations have been carried out overseas into railway problems covering a wide field, but more particularly into technical matters. In addition to sending officers to other countries to inquire into problems, advantage is frequently taken of the presence overseas of an officer who is on extended leave of absence for the purpose of inquiring into questions affecting his particular sphere of work.

Subjects which have been investigated in other countries in recent years include rail car development; catering arrangements on trains, and in railway restaurants, and catering practices generally; stores methods; air-craft development and problems relating to the operations of civil airways generally; recent developments in signalling methods; developments in internal combustion engines, and operations of road motor services generally; electrification; air-conditioning of passenger rolling stock. Apart from these investigations, officers are also sent overseas to represent the administration at congresses, and other meetings, at which matters of an important character relating to railways are discussed, and in this way valuable contact is maintained with other railways, and views are exchanged with regard to problems common to railways the world over.

Arising out of certain recommendations made by the Granet Commission arrangements were made for a delegation of senior officers, comprising the Chief Mechanical Engineer, the Assistant Chief Civil Engineer, the Chief Superintendent (staff), the Research Engineer, and the Production Engineer to visit Europe and America during the present year for the purpose of making investigations into aspects of railway working falling within their respective

spheres of work. These officers visited the larger railway centres in Great Britain, the Continent of Europe, the United States of America, and Canada. They have made comprehensive investigations into subjects such as workshop organisation and equipment, civil engineering problems, operating and commercial practices, etc., and the mass of information they have obtained on these matters should be of considerable value to the administration.

These extracts are very interesting to us, and we might well follow the lead of South Africa and send our senior officers and most promising young officers to other States and overseas. The problem of our railways is a big and changing one, and I am confident that a visit to South Africa and other countries by our Commissioner would be worth while.

The Minister for Mines: Do you think he ought to bring back a boatload of blacks to work our railways?

Mr. HILL: Let me finish what I have to say.

Mr. Needham: Is there anything left?

Mr. HILL: A visit to South Africa by our Commissioner would be well worth while particularly if, while overseas, he carefully investigated port and shipping problems as well. I mention this because, to quote Sir George Buchanan—

Ports are the medium between sea and land transport. On the ports, their efficiency and proper location, the whole system of transport largely depends.

On his return I would suggest that he be appointed Commissioner of Transport and that an advisory transport council or committee be formed consisting of the Commissioner of Transport as chairman, the Commissioner of Railways, the General Manager or Chairman of the State Harbours Board, the Chairman of the Transport Board and the Manager of the State Steamships. I suggest the scrapping of the Fremantle Harbour Trust and the Bunbury Harbour Board, the repeal of the Albany Harbour Board Act and that all State harbours be under the one authority as in South Australia or New South Wales. In this connection I would point out that in the "West Australian" recently appeared the following:—

Tasmanian Transport.

Wide Powers for Commissioner.

Hobart, Nov. 11.—Under the provisions of the Transport Bill which the Premier (Mr. Ogilvie) will submit to Parliament next week it is proposed to create a new office of Commis-

sioner for Transport. The commissioner's powers will be far reaching. He will be given full control over all forms of transport, including railway, road, river and air services and conduct them under State control.

The Bill follows an investigation extending over several months and is aimed at decreasing the losses on railways, which amount to £500,000 a year. It is probable that in the event of the Bill being passed the Government will take over road services in competition with railways and considerably curtail railway passenger services.

A careful comparison of the report of our Commissioner with that of South Africa shows that one factor contributing in no small way to the better financial results in South Africa is the fact that their average train load is double that in our State. The member for Kalgoorlie, when referring to this last year, suggested relaying our lines with 80lb. rails, and using heavier locomotives. This would cost millions, and consequently is out of the question at present. There is no need for this in the southern portion of the State. Our present port zone system is based on only one factor—railway mileage. The high costs and losses on both our railways and ports provide proof that the system is not working satisfactorily. To save a few miles in railage, wheat from the country east of the Great Southern is hauled over the Darling Ranges, instead of down the Great Southern. For example, to save only 21 miles of railage and 8d. per ton in freight 60,000 tons of wheat was last year railed through Wagin westward instead of down the Great Southern railway.

Mr. Withers: That is a saving to the farmers.

Mr. HILL: Let me finish, please! An amount of £73,000 has been spent on regrading the railway between Collie and Brunswick, and now an engine will haul 426 tons from Wagin to Collie, 500 tons Collie to Brunswick, and 850 tons Brunswick to Bunbury, a distance for the 850 tons of only 16 miles. Up to date, nothing has been spent on regrading the Great Southern railway south of Narrogin, and the engine load tables show the load as follows:—

	Miles.	Tons.
Wagin-Lime Lake ..	8	500
Lime Lake-Moojebing ..	17	850
Moojebing-Katanning ..	7	426
Katanning-Murdong ..	6	850
Murdong-Broomehill ..	6	426
Broomehill-Peringellup ..	8	673
Peringellup-Tambellup ..	7	587
Tambellup-Wansbrough ..	8	465

	Miles.	Tons.
Wansbrough-Pootenup ..	7	850
Pootenup-Tenterden ..	20	497
Tenterden-Carbarup ..	15	673
Carbarup-Mt. Barker ..	7	481
Mt. Barker-Narrikup ..	11	673
Narrikup-Redmond ..	8	800
Redmond-Albany ..	20	850

Brunswick is 16 miles from Bunbury, and that is the only section where the 850 tons full load is possible between Wagin and Bunbury, whereas the figures quoted show that 850 tons may be hauled for a total of 50 miles between Wagin and Albany, and a further 8 miles for a load of 800 tons, and for 34 miles the load is 673 tons. One of my railway friends has supplied me with a drawing showing the grades along the Great Southern. A glance at the drawing reveals that all that is needed to increase considerably the carrying capacity of the Great Southern line is to cut down the grades, aggregating all told only 11 miles. This would be a good work for unemployed men, as it consists of about 100 per cent. labour. By this means a grade of one in eighty could be secured all the way to Albany. It would mean that an F.S. engine could haul a load of 850 tons for no less than 77 miles on the Great Southern railway, and that by using banking engines on the other 70 miles trains of 850 tons could be hauled all the way from Wagin to Albany. Then there is the question of speed. In the case of a goods train from Wagin to Albany, straight and easy curves permit a maximum speed of 30 miles; nine curves permit a maximum speed of 27 miles; and five curves permit a maximum speed of 20 miles. Between Wagin and Bowelling, straight and easy curves permit a maximum speed of 25 miles, and nine curves a maximum speed of 19 miles. I have shown one way in which more economical working of our railways may be achieved. Some alterations would have to be made, but they are necessary for the purpose of decreasing costs and cutting down the railway deficit. Further economies might be effected by the adjustment of the zones on an economical basis. Other countries have railway charges on a zone basis instead of upon a mileage basis, and we can follow their example.

Now I would like to say a little about the train service on the Great Southern line. I suggest sending wheat for shipment the shortest way, and not the longest.

The shortest route in the case of the Albany zone is via the Donnybrook-Katanning line; but owing to the low carrying capacity of that line, super is hauled over the Brunswick-Collie-Wagin line. The member for Pingelly (Mr. Seward) referred to the rather poor service on the Great Southern line. That service has to a certain extent deteriorated. A.Z. coaches have been replaced by A.Q. When that change was made, the members for Williams-Narrogin (Mr. Doney) and Pingelly (Mr. Seward) and I waited on the Minister for Railways and asked that the A.Z. coaches be restored. That night the Chief Traffic Manager went to see who patronised the A.Q. coaches. He found that the passengers consisted of the member for Pingelly, the member for Williams-Narrogin, and myself. Is it not deplorable that our railways are so little used? Instead of cutting down the service because of the poor patronage the railways receive, the department should provide a service which would encourage larger patronage. At the present time the fast train takes 16 hours to go from Albany to Perth. The ordinary train takes about 18 hours. Motor cars have done the distance in from four hours to seven hours. They can do it comfortably in 5½ hours. The journey has been done by push bike in 12 hours 28 minutes. The trouble is that the distance by road from Albany to Perth is 254 miles, while the distance by rail is 341. The railway charge is on the mileage basis. While passengers are conveyed a radial distance of only 252 miles, they have to pay for 341 miles. The member for Pingelly has already referred to the need for improved passenger service. If the Great Southern service could be speeded up and provided at cheaper fares, it would be more used. As soon as cheap excursion fares are cut out, the passenger patronage on the Great Southern line becomes less. It will be a profitable proposition for the Commissioner of Railways to speed up the trains and reduce the fares.

MR. MARSHALL (Murchison) [8.35]: It seems that we have the wrong man for Commissioner of Railways, absolutely! This is the man the Murchison is looking for! If there is anything the Murchison people desire most of all, it is the speeding up of the railway trains. Had the previous speaker

given maturer consideration to the figures he used, he would have realised that the basic fact which permits South Africa—a country I know, having lived there for some time—to make such a huge success of its railway system as compared with Western Australia, is not that it has a population of 2,000,000 whites and 6,000,000 coloured people, but that its railway system operates over only a fraction of the area and mileage that obtain in Western Australia, which has a population of only 451,000. The hon. member desires an infant to run before it has begun to crawl. How could we carry the same costs as a population so wealthy and so numerous as that of South Africa?

Mr. Hill: Who suggested it?

Mr. MARSHALL: The whole position is obvious. I would not be so audacious as to accuse our Commissioner of Railways of not being conversant with conditions in other countries where similar railway systems, having regard to the gauges, are in existence. I respectfully suggest that the departmental officers of the Western Australian railway system are fully aware of what is taking place in other countries. Our departmental staff, however, is handicapped by the fact that when it reaches out to give effect to the reforms we all desire, the cry is, "There is no money." I have not the slightest doubt that our engineers are quite capable of giving us air-conditioned rolling stock. We want it. No one wants it more than those who travel 715 miles on one of the hottest lines in Australia, that to the Murchison goldfields. Those are the people who need consideration in the form of air-conditioned railway carriages. They are the people, too, who pay the highest railway freights and fares, and are responsible for the small deficit our system shows. They pay the maxima for all services rendered. They live and labour under the most oppressive climatic conditions in Western Australia. I say these things with all due respect to people who live in other parts of this State. When Western Australia has a population of 2,000,000 whites, and in addition numbers of coloured people as intelligent and ambitious and efficient, and with the same standard of living, as the coloured people of South Africa, our Railways Commissioner will find it much easier to give effect to the wishes of the member for Albany than under present conditions and circumstances. We must bear in mind the fact that Western

Australia has more miles of railway per head of population than has any other country in the world. Our population totals 451,000. In the circumstances, and having regard to the monetary system under which we live, our people have done a pretty good job. Nevertheless I must endorse the remarks of the member for Kalgoorlie (Mr. Styants). The condition of the tractor section of our railway system is deplorable. I make mention of this because of what one experiences when one takes the train running into the Murchison district. That district has eight months of hot weather, and four months of particularly warm weather. Men are working in the cabins of locomotives under such conditions. The engines are in a bad state of repair, and so the men are not much encouraged to give efficiency. Indeed, I marvel that the men stick to their jobs as well as they do, in such circumstances. Anyone with mechanical knowledge of engines knows there is a loss of efficiency when the big ends of brass bearings and so forth commence to knock, developing a little more friction than is essential to the work for which the engine is designed. It is heart-breaking to try to obtain efficiency from an engine in such a state. In that regard the Commissioner is not considerate to his men, for the train is usually loaded up. I compliment the staff on their efforts to give service to the people of the State in such conditions. I cannot blame the Commissioner, because I feel confident that if money was provided he would effect the necessary improvements. However, I cannot let the opportunity pass without making these remarks.

I ask the member for Pingelly (Mr. Seward), if he thinks the Albany-Perth train requires speeding up, what would be his remarks if he had to travel between Wiluna and Perth?

Mr. Watts: The hon. member's remarks would be exactly the same, only louder.

Mr. MARSHALL: I agree with the member for Katanning. I do not speak disparagingly of the member for Pingelly, whose job is to represent his constituents here; but many people live under far more adverse conditions in respect of transport than do the people between Albany and Perth.

Mr. Seward: I referred to the trans. line also, and I particularly asked for the speeding-up of the Diesel cars on branch lines.

Mr. MARSHALL: I thought the hon. member spoke only of steam-driven locomotives. He mentioned that passenger trains had to stop at every little siding. That is also the case between Wiluna and Perth. I went to the trouble once of ascertaining the number of stops between Perth and Wiluna, and I made the total 81.

Mr. Seward: If I had referred to that matter, I might have been told to mind my own business.

Mr. MARSHALL: The technical mechanism essential to the safety of the train has to be considered. Frequently passengers complain of a stop at an unattended siding for a period too long to be agreeable to them; but there is the safe-working mechanism, which must receive close attention because the train cannot start until there is assurance of its travelling over the next section with safety. People without the necessary mechanical knowledge are apt to complain bitterly of stops. There would be a great deal more to complain about if a collision resulted on the next section through lack of attention to safe-working mechanism. The ordinary person knows nothing of the many technicalities associated with the running of trains, but is too ready to criticise, without appreciating the cause of stops. There is nothing in that.

I tell the member for Canning he is out of step on the subject of transport. Can he name one big city in the world that has entirely discarded trams and trains as a means of transport and installed buses?

Mr. Cross: I never said there was.

Mr. MARSHALL: The hon. member's inference was along that line, and frequently he has told us that our trams and trains are obsolete.

Mr. Cross: They have been scrapped in London and Manchester.

Mr. MARSHALL: Nothing of the kind. The member for Albany (Mr. Hill) quoted extensively from all countries, and he showed that in most instances they are prohibited, while in others they are under control.

Mr. Cross: The report he quoted was two years old.

Mr. MARSHALL: We need only go to South Australia to find that buses are prohibited from plying, though I admit there are a few that run to Semaphore and back. What is really wrong with our Government method of transport is that the system is obsolete. If our trams and trains were

modern they would move passenger traffic much more rapidly than any other method ever thought of by the member for Canning. That our trains are far from losing passenger traffic is shown by the number of people who continue to patronise them, and one has only to watch the exodus from the Perth Railway Station in the early hours of the morning to prove that what I am saying is correct. Imagine that number of people being transported by buses. Buses have been given too many concessions in the metropolitan area, and at the expense of the taxpayers also.

Mr. Cross: You have never heard me advocate buses.

Mr. MARSHALL: The hon. member should go somewhere else where buses are in competition with trains and trams, and note the conditions under which the people there have to travel.

Mr. Cross: I know all about it.

Mr. MARSHALL: If the hon. member knows, he should tell the House.

Mr. Cross: I am entitled to tell you what is wanted at South Perth.

Mr. MARSHALL: South Perth wanted a new ferry and got it; it wanted a tram and got it; it wanted buses and got them; now that suburb wants trolley buses.

Mr. Cross: We will get them, too.

Mr. MARSHALL: I know something about buses, because it is my misfortune to have to travel in one. It takes 45 minutes occasionally to do six miles, and I am charged 8d. for the trip. I can get on a tram, slow and all as it is, at the Town Hall, and travel seven miles in a shorter space of time and pay 5d. The hon. member imagines that buses travel at a greater speed because they do not stop so frequently as the trams. But let him look at the buses that travel on the south side of the river, buses that are without conductresses. There the driver has to collect the fares himself, and that sometimes takes five minutes while an old lady will dip into her purse and search for her fare.

Mrs. Cardell-Oliver: What about the old men?

Mr. MARSHALL: I suppose they would waste some time, but the women are the greatest offenders in this respect. If one goes to outback places where motors are in competition with the railways he will find that at one time it cost £7 10s. to carry goods over a distance of 142 miles. People never

complained, but let the Commissioner for Railways charge a similar rate for 142 miles and then listen to the howl. But reverting to motor buses. Have we not all experienced their evil smells from the exhaust and the interior filled with cigarette smoke?

Mr. Cross: There is nothing like that in the trolley buses.

Mr. MARSHALL: In the buses we find people hanging on everywhere, and yet no one complains. Let the trams be overcrowded, and then note what happens. Really the members of the public are not fair. We find people stepping out of a bus into the rain to make way for someone about to alight, then returning to it without uttering a complaint; but when it comes to the overcrowding of trams the newspapers are filled with hostile criticism of the Government methods of transport. Yet the trains and trams belong to the people themselves.

Mr. Cross: They should be improved.

Mr. MARSHALL: I agree, but where is the money to come from? It is all a question of funds, and that is never discussed in this Chamber. I should like to ventilate a small grievance regarding the excursion train which was sent from Wiluna to Perth in December last. That train was allowed to leave Wiluna seven or eight days before the schools broke up for the Christmas holidays. That caused great inconvenience to many people. It was too late to rectify the trouble, and so the train had to leave earlier than it should have done. This year, I hope the Commissioner will ascertain the date on which the schools will close for the holidays, so that the parents who desire to accompany the children to the coast may be able to do so after the break-up. I urge the department also to keep the trains supplied with clean water for the trip, because it is a long and tedious journey. One can imagine what the trip is like when I say that two trains may be leaving the Perth station at the same time, one for Adelaide and the other for Wiluna, and the train bound for Adelaide will reach its destination before the other arrives at Wiluna. That will give an idea of the conditions under which people have to travel in parts of this State.

Mr. Seward: There is no reason why that should be so.

Mr. MARSHALL: It is due to the fact that the department cannot afford to improve a system which is already showing a loss.

The department is doing its best having regard to the financial side. That is the reason why people cannot get the service to which they are entitled. In any case, there is no reason why the closest attention should not be paid to cleanliness and the provision of good water supplies on the trains. Our rolling stock is obsolete, and I hope the time is not far distant when it will be possible to purchase up-to-date equipment, so that we may be able to compete with privately-owned buses. I do not know of any more objectionable form of transport than buses. In the winter time they are cold and draughty and badly ventilated. One is always liable to catch a cold in one of those vehicles, while in summer there is always the smell of oil. I certainly would never use bus transport if I could avail myself of any other.

Mr. Cross: Even trolley buses?

Mr. MARSHALL: Yes, they are an excellent form of transport. The people of South Perth have the State ferry service as well as a privately owned ferry. Since then they have been given a bus service. Some portions of the State have no transport facilities at all, and it is time the Government directed its attention to those districts. From the point of economy, a review of our tramway system should be made with the idea of utilising the present rolling stock on certain roads and converting other lines to the trolley bus system. We would then avoid the risk of over-capitalising the undertaking. I have no doubt the officers who manage the tramway system have all this in mind. The tramway and railway employees are always willing to oblige, and I have no fault to find with them. They are doing a good job under adverse conditions, and in this I include the Commissioner and his staff. If I find they are neglecting their duty I will criticise them quickly enough, but up to the present I am grateful for what I have been able to get from them. The train running to the Murchison has been speeded up and I am thankful for that. I hope the staff will give consideration to the transport of women and children during the coming summer, and make travel easier for them than it has been in the past.

MR. WILLMOTT (Sussex) [9.3]: I wish to refer to the lighting arrangements on the Busselton jetty. As they are to-day, they constitute a danger both for the lumpers who work there and for the ships that come

into the port. During the past few months 48 boats arrived at Busselton and of these 22 worked at night. A considerable amount of night work is going on all the year round. If the Busselton Municipal Council were approached some arrangement might be made between it and the Commissioner of Railways to extend the electric lighting to the end of the jetty. Already the jetty is lighted by the council for a fifth or sixth of the way, but the remaining portion is without any lighting facilities. During the past 12 months 10,571 loads of timber were exported from the port to the Eastern States, and 8,200 loads went overseas, making a total of 18,571 loads. This timber was valued at £112,626. Such a volume of trade entitles Busselton to the facility I have mentioned. A considerable amount of money is also disbursed in wages. On account of interstate trade the lumpers received during the period under review £4,785, and on account of overseas shipping they received £2,067, making a total of £6,852. I hope the Minister will do his utmost to have an arrangement made between the Busselton Municipal Council and the Railway Department for the lighting of the jetty. I will not talk about the railways to-night, although I am knocked about in the trains every time I go home.

MR. WATTS (Katanning) [9.6]: It is a matter for regret that when a member suggests improvements to the railway system, and his ideas are not in conformity with those of the department, the Minister should regard the remarks as criticism of a destructive type. That was the attitude he took up, or I gathered it was his attitude, when the appointment of a Royal Commission was suggested last year by the member for Pingelly. It is a mistaken attitude. Any observations the member for Pingelly or I would make concerning the railways would be made with a view to having them more used than they are to-day. No member forgets that a considerable amount of money has been invested in the railways over a long period of years. Whatever we may think concerning the manner in which the money was spent, we know that the liability exists, and that we have to meet the annual interest bill as it falls due. If members at any time make suggestions to encourage the public to put the railways to greater use, I hope the Minister and the depart-

ment will give them every consideration. We do not want to pose as carping critics. Our intention is to assist the Minister and the department, to point out defects that occur in our own neighbourhood, and bring forward perhaps the ideas of our constituents concerning directions in which improvements could be effected.

We have heard a great deal during the past few days about increased traffic and increased earnings that have eventuated since the trolley buses came into operation. We are also told about the increased earnings due to the running of the new Diesel electric cars. These earnings have only come because the public have found something which is better than the service that preceded it. Instead of rushing wildly off in a motor car, because it provides them with a more efficient and speedy means of transport, they have recognised the efforts of the department at certain times and in certain places to improve the conditions. People are anxious to use the railways. I submit that these two examples are the strongest indication that the Railway Department should consider what other means can be adopted to bring the people back into the fold.

In years gone by the railways were in constant use. We then reached the age of motor cars. At first they were not very popular, but as they became more efficient people were only too glad to avail themselves of the opportunity to go where they wished by car rather than by rail. So it was that the railways began to suffer more and more. On the Great Southern line the difference between the time taken by the ordinary steam train at night and the Diesel car between Katanning and Perth is not more than two hours. Many people would prefer to travel by Diesel car than by motor car, even though a saving of only two hours has been effected. I do not want the Minister to think we are complaining about the running time or the stopping time of the Great Southern trains, any more than of other trains in the State. I do not regard the Great Southern trains as the worst trains in the State by any means. Probably the member for Murchison has a better case to put up than I have in that respect. Some effort should be made to improve the running still further. The public is possessed of a mania for speed. Some people, could they do so, would prefer

to travel 150 miles an hour by aeroplane than 60 miles an hour by any other means.

If we want to get support for our State transport system, we must give the people the very best we can. It is not a question of greatly increased expenditure. I doubt whether much additional expenditure would be necessary in many instances. Let me quote the train that leaves Katanning. It leaves at 12.5 a.m. and arrives in Perth at two minutes to 11 in the morning, approximately 10 hours 55 minutes being required to travel 225 miles. This works out at about 21 miles an hour. Usually the train arrives on time at Katanning, but generally leaves a quarter of an hour late. It is scheduled to remain at the station for refreshment and station purposes for a definite period, but is usually a quarter of an hour late in leaving. It proceeds at a speed of 45 miles an hour after surmounting the small rise just outside the town, and arrives on time at Wagin. Probably it leaves Wagin a quarter of an hour late, and this business is repeated at other stations. This has been my experience for many years. No improvement has been effected in the running time or in the running conditions. I suggest that if a little more care was exercised by the department and the officers at the various stations, without any further expense or any loss of public safety, but with a great deal of benefit to the public, much time could be saved.

The member for Pingelly referred to non-stops between Spencer's Brook and Midland Junction. On a Friday morning, from Katanning to Perth, there is a saving in running time of approximately 40 minutes, but most of that saving is effected between Spencer's Brook and Perth. I see no reason why that saving should not be effected throughout the week. I had a ride in a trolley bus this morning as far as Swanbourne. I can readily understand why people are more inclined to use that form of transport than either the trams or suburban trains. A trolley bus gives one a ride at a reasonable speed and in reasonable comfort. That is all the public are asking for so far as they can get it under a Government transport system. It is no use to declare that our railways are the best in the world. That is not so. They can be improved, and should be improved.

Then there is the question of coach accommodation on country trains, and again

I illustrate the Great Southern line. The coaches are exceedingly uncomfortable, especially when one is travelling second-class. The second-class passengers provide a considerable portion of the passenger revenue, and they are deserving of more consideration. I was seeing a friend off from the Katanning station on Sunday evening. He was travelling second-class. I can imagine his discomfort in the 11-hours run to Perth. Things have remained unaltered for the past 25 years, whilst every other type of transport has improved. Very little indeed has been done to improve the methods adopted in the railway service. No wonder country people travel as little by train as possible. If the department would give attention to the comfort of passengers, I believe an important financial improvement could be effected. A coach containing 20 passengers costs as much to run as does one that has its full complement. The same principle applies to a whole train. The additional passengers that could perhaps be induced to travel might turn the loss made by the system into a small profit. I commend the suggestions made by members, and assure the Minister they are made to assist in the better management of the railways and encourage people to use a national asset rather than other means of transport. I agree with the suggestion advanced by the member for Albany (Mr. Hill) with regard to the Great Southern railway. There are very few sections of the line over which it can be said that only small loads can be hauled. I went into the figures the member for Albany has taken out, and it would seem that an aggregate distance of between 11 and 12 miles only would require to be regraded to allow double loads to be hauled. It seems definitely wrong to run two trains over a length of 100 or more miles when, with the re-grading of a small portion of the line, one train could do the trip. Other sections of the railways have been regraded within the last few years with no more justification. Even if the grades that exist near Wagin and Katanning were dealt with, a considerable increase in traffic by means of one train instead of two would be possible. As it is, the extra haulage is impracticable because of the grades on a few sections only, thereby necessitating smaller loads being railed, over the entire section. If the regrading were done and the loads were hauled by one train only, a

considerable reduction in overhead expenses would be effected and the slower transport now occasioned because of the grades would be avoided. I hope the Minister will take this matter into consideration because the request is not unreasonable.

MRS. CARDELL - OLIVER (Subiaco)

[9.17]: I wish to remind the Minister that last year he promised to recondition some of the trams, but so far I have not noticed that any have been improved. Perhaps some have been reconditioned, but they are certainly not seen on the Subiaco route.

Hon. P. D. Ferguson: They would be reserved for the Mt. Lawley route.

Mrs. CARDELL-OLIVER: At any rate, the trams running to Subiaco seem to be in the same condition as they were last year. Elderly people and even younger women with babies find it almost impossible to board the trams because the steps are so high. I cannot imagine why such high steps were ever installed, but possibly people were more agile in the days when the trams were constructed.

The Minister for Railways: They were.

Mrs. CARDELL-OLIVER: Another suggestion is that a few of the seats at the driver's end be reserved for women with babies. When they board the trams with their perambulators, they do so at the driver's end. They are probably handicapped not only with a child in arms but another that has to be helped on. Very often when they enter a tram they find little accommodation available. While the people may have been more agile in years gone by, it is also possible that greater chivalry was displayed than by patrons of the system. In those days, women may have been able to find seats quite readily, whereas in many instances to-day it is most difficult. I suggest that at least four seats, two on each side, be reserved for women with babies. Further, I suggest that lights should be displayed on the front of trams. If that were done, I am sure fewer accidents would happen. I understand the Minister now drives a motor car himself, and I am sure he will agree, with other motorists, that it would be in their interests if additional lights were attached to tram cars. Motorists would then know that the oncoming vehicle was a tramcar and not a motor cycle. Lastly, I desire to draw the Minister's attention to the fact that the transport facilities to Jolimont are costly

and unsatisfactory. The suburb is not large but is increasing. A cheaper service is required between Jolimont and Perth because the people cannot afford to pay the ruling bus fares. A charge of 1d. over the section between Jolimont and Subiaco should be levied. The distance is too long to force people to walk, and if they have to take the bus, they have to pay 3d. to travel over a mile or a mile and a half. I trust the Minister will see his way clear to agree to the reforms I have suggested.

MR. WELSH (Pilbara) [9.20]: I shall not offer any criticism of the railways, but for the last two or three years I have requested the Minister to grant a concession to the gangers and fettlers on the Port Hedland-Marble Bar railway to enable the men to travel by the State ships, much along the lines of the concession accorded members of Parliament. The men work under climatic conditions that can hardly be realised by people living in the south. Owing to the distance from Perth, they cannot enjoy annual leave, because the holiday period would be taken up in travelling time. They are allowed to accumulate their leave for three years. The application I make on their behalf is amply justified. If they were to come down by sea, the cost would be about £12 or £14. They cannot take advantage of the free railway pass, as can their fellow railway workers in the southern parts of the State. I urge the Minister to grant tickets to the gangers and fettlers for use on the State boats. I hope on this occasion the Minister will agree to my request. When the Minister for Works was in Marble Bar some time ago, he discussed this question with the men, and said he was under the impression that the concession embraced all men employed by the Public Works Department. The concession I ask is on behalf of eight or nine gangers and fettlers on the Port Hedland railway. I trust the Minister will favourably view my request.

MR. TONKIN (North-East Fremantle) [9.23]: I wish to refer to two matters in connection with the electricity supply. This year the department saw fit to reduce the cost of electric current in certain districts, but has denied a section of the people the right to participate in the reduction by refusing to remove the minimum charge. Those who would benefit mostly by the re-

duction cannot secure that advantage because they do not use sufficient current to bring their consumption below the limit required to secure the concession. I refer to old age pensioners who have to retire early to bed and therefore do not use the quantity of current that those with large families do, and also to those who receive assistance through the Child Welfare Department or the Employment Department. Those in the latter section are forced through economic circumstances to save their consumption of current as much as possible. When such people are economical in their use of current, they cannot secure the benefit of the reduced price, but have to pay the minimum charge. The department should remove the minimum charge and make people pay at the ruling rate for the current they use. If a person uses one unit of electricity per week, he should be required to pay for one unit only. Otherwise those who are able to meet their bills without hardship and consequently are not careful in the use of current, secure their supplies at reduced prices, whereas the person who uses one unit per week cannot effect any saving at all. The reform I suggest would not cost the department very much, but it would greatly assist many who have to scrape to make ends meet. I appeal to the Minister, as I have done previously, to reconsider this matter and remove the minimum charge. Another matter refers to the supply of current to local authorities. From time to time those operating in my electorate have requested a reduction in the price of current in order that they may instal additional street lights. Their intention is not to reduce the amount payable annually for current, and the local authorities are prepared to take current up to the full amount they pay at present. If the department agreed to a reduction in the cost of current to them, it would be possible to instal additional street lights, which would be of considerable benefit to the public. I agree with that contention. Some of the streets are inadequately lighted, and the position would be greatly improved if additional lights were installed. The local authorities cannot face the increased expenditure that would be involved in providing additional lights at the present rates for current. I again appeal to the Minister to consider that matter, which is important from the standpoint of Cot-

tesloe, Mosman Park and Peppermint Grove, but no relief can be afforded the people unless a reduction of the price of current is granted. I congratulate the Electricity Department on the excellent results achieved during the year. The Commissioner's annual report discloses that the department has paid its way, reduced its production costs and increased its earning capacity. The desire is not to make huge profits, but rather to pay working expenses. I trust that wherever feasible as many benefits as possible may be accorded the people. One other matter has been brought under my notice and that is that during the year two consumers in the Fremantle district, who previously took bulk supplies from the Government, have transferred their business to the Fremantle Municipal and Electric Lighting Board. The board purchases its current from the Government. There must be something radically wrong—I hope there is a reasonable explanation, but so far I have not been able to ascertain what it is—when a consumer can cease buying direct and decide to buy indirectly through a second body. The primary consideration would be the cost of current and if it is possible for a consumer to secure current more cheaply by buying indirectly, there is something obviously wrong. It appears that two large consumers have made this change in the past year. If it is because they can get current cheaper from Fremantle, then the charge made by the Electricity Department should be revised. If it is found that the department is charging too much for its current, then the charge should be reviewed. It should not be possible for consumers to get electric current cheaper from a retailer than from the Government supplying as a wholesaler.

THE MINISTER FOR RAILWAYS

(Hon. F. C. L. Smith—Brownhill-Ivanhoe—in reply) [9.31]: I thank members for the way in which they have received these Estimates. The member for Canning suggested placing each of the various departments under a manager. I think the member for Albany effectively disposed of that suggestion when he pointed out that in South Africa, with its very extensive operations, one person is in control. It must be borne in mind that the railway department of South Africa controls not only rail transport, but also road and air transport. Very large concerns can often be effectively man-

aged, with efficient organisation, by one person. However, the time has not yet arrived in this State when a change in the existing form of management is desirable. Hon. members will not agree with the statement of the member for Canning that the metropolitan people have to pay extra in order to make up for country losses. Everyone knows that the consumer pays for railway services. Country people use the railways far more than do the people in the metropolitan area. Country people must have goods sent to them from the metropolitan area and they must send their goods to the metropolitan area. That is the main source of revenue of the department. The member for Canning also said that trams were out of date. That is a mere generalisation, and we cannot generalise upon the question whether our trams are out of date or not. The member for Pingelly (Mr. Seward) also referred to the question of trams. He mentioned the report of an interview with Mr. Bell, who I think is associated with the Melbourne tramways.

Mr. Patrick: He is the Chairman of the Tramways Trust in Melbourne.

The MINISTER FOR RAILWAYS: I know the Melbourne Tramways Trust decided in favour of trams some years ago as the result of an investigation and report made by Mr. Cameron, who was then the General Manager. The trust decided, after an investigation into the matter in various parts of the world, that trams would be the best form of transport for Melbourne and its suburbs. The trust spent a huge sum of money in electrifying the system and changing over from the cable system. A very fine up-to-date tram, built low to the ground so as to prevent noise, has been put into service. It is quite as comfortable as any omnibus or trolley bus in which I have travelled. I venture to say that Mr. Bell supported Mr. Cameron in his recommendations. I would be surprised to learn that the reference in the report mentioned by the member for Pingelly was not to the effect that trolley buses were confined to the outer suburban areas. I understand the proposal to electrify the Bourke-street trams has been under consideration for some time. I also think that while Mr. Bell was away he sent a cablegram requesting the trust to hold up that particular work until his return. I remember reading the cablegram in the Press. Since then I have had the im-

pression conveyed to me, through the Press, that he is still in favour of trams for Melbourne. That applies to many other cities in the world. Toronto, in Canada, has reorganised its tramway service. Much depends upon local conditions.

Hon. C. G. Latham: The loss of capital through scrapping the trams would be enormous.

The MINISTER FOR RAILWAYS: Yes. In some of the bigger cities throughout the world, decisions have been made, as a result of expert advice, to retain tramway services. Trams have been deemed to be best suited for the particular needs of those cities. Of course, opinions differ. In other cities, trams may not be suitable because the streets are narrow or winding. Because of some other peculiar local conditions, trolley buses will best serve the transport needs of the people. The question of peak loading may be a consideration. In England consideration is being given to the question of endeavouring to stagger the loading by inducing factories to alter their starting and closing times.

The member for Kalgoorlie (Mr. Styants) suggested a one-class system throughout. He drew attention to the fact that the railways carried more second-class than first-class passengers. That condition has always prevailed. The hon. member also referred to the fact that the Kalgoorlie express included an equal number of first- and second-class carriages. One has to take into consideration that the second-class carriages contain four berths, while the first-class carriages contain only two.

Mr. Styants: I referred to revenue. We get three times as much revenue from second-class passengers.

The MINISTER FOR RAILWAYS: The only State that I know of where a proposal is on foot to do away with first-class accommodation is Tasmania, and the proposal there is then to increase the second-class fares by 10 per cent. I do not think that desirable. Many people are prepared to pay a first-class fare for what might be regarded as a little better accommodation. Because they pay the extra money the department is able to give a better service to second-class passengers at a lower rate than would otherwise be the case. I do not know whether the proposal is to be carried into effect throughout that State or whether it is to be confined to the

metropolitan services. Nevertheless, the intention is to increase the second-class fares by 10 per cent.

Hon. C. G. Latham: Out of every 1,000 people who travel on the railways in England, 999 travel third-class.

The MINISTER FOR RAILWAYS: So I am told. The third-class accommodation is considered to be fairly reasonable. The member for Kalgoorlie again brought up the question of the condition of our locomotives. The department is well aware that our locomotives are not up to the standard we desire. An attempt has been made to improve the position by constructing some new locomotives. The hon. member also complained about the rolling stock. When this Government assumed office in April, 1933, the department was faced with the fact that its rolling stock had been neglected. The Government had to undertake a huge expenditure for belated repairs to bring its asset up to date. The Government could not undertake to construct new rolling stock and locomotives. Instead, it restored in some measure the value of its asset. The fact that provision is not made on the Estimates this year for the annual amount of £100,000 for belated repairs indicates that those repairs have been completed. The department would like to provide air-conditioned trains such as are in use in Victoria; but that State must be very prosperous to be in a position to purchase a train at the cost of nearly a quarter of a million pounds to run a distance of only 200 miles. Our State could not afford to do that.

Mr. Styants: The air-conditioning did not cost a quarter of a million pounds.

The MINISTER FOR RAILWAYS: The "Spirit of Progress" cost nearly a quarter of a million pounds.

Mr. Styants: The air-conditioning facilities did not cost that sum.

The MINISTER FOR RAILWAYS: No. They cost about £2,000 per carriage. The hon. member mentioned air-conditioned coaches, with all-steel bodies. He pointed out that on the Continent it had been proved in a railway smash that the mortality was lower when these all-steel carriages were in use. We could not afford, however, to consider a proposal to instal a train like the "Spirit of Progress."

Mr. Styants: The Victorian Railway Department has recovered much of its passenger traffic from the motorists.

The MINISTER FOR RAILWAYS: One train would not recover very many passengers. The hon. member referred to a lost suitcase. He drew attention to the fact that if a person rails a suitcase, he must accept all risks and put up with the consequences if it is lost. By paying a little extra the case could have been dispatched at the Commissioner's risk, and it would have been covered against loss. It is not possible for us to break down the regulations altogether; we must conform to them or not at all.

Hon. C. G. Latham: Why not carry all goods at the Commissioner's risk?

The MINISTER FOR RAILWAYS: They can be so carried if people like to pay the higher rate. But there are many people who are prepared to take a risk. We might safely say that for one case that is lost there may be a million that are not.

Mr. Styants: All the more reason why you should pay for the loss of this particular one.

The MINISTER FOR RAILWAYS: The hon. member will agree that we must have regulations and we must conform to them.

Mr. Seward: That was not the ruling of the previous Commissioner.

The MINISTER FOR RAILWAYS: If I were dispatching a case containing clothing or valuables, I would not run the risk of losing it for the sake of a 10 per cent. increase on the charge of 5s. 6d.

Hon. C. G. Latham: People are now sending parcels through the post. They find it cheaper in some instances.

The MINISTER FOR RAILWAYS: The member for Kalgoorlie referred to all-steel boilers, and was critical about their introduction. I do not know much about the circumstances that led to their introduction, but I suppose that at the time it was decided to give them a trial. They had been well recommended, perhaps from some other railway system. There was the question of the cost because the all-steel boilers cost £1,100 as against £1,500 for copper boilers. That was a consideration.

Mr. Styants: The department lost the difference in the first five years of the use of the boilers.

The MINISTER FOR RAILWAYS: I do not know that that is so.

Mr. Styants: Will you agree to an inquiry being instituted into the matter?

The MINISTER FOR RAILWAYS: I do not know why I should. I take it that it was a question on which a decision had to be made. The department was advised that it was a proposition that had the elements of economy behind it. As I said, there was a difference in cost of £400, and I imagine that the all-steel boilers were well recommended. However, events proved that they did not come up to expectations due to the water that had to be used in them and the effect of that water on the tubes and stays. The information I gave in reply to the hon. member's questions was quite correct. He asked me what was the cost during the first three years of service, and I replied that the average cost was £92.

Mr. Styants: All the boilers were included.

The MINISTER FOR RAILWAYS: I gave the cost in the first three years of service.

Mr. Styants: There were only five of the 32 that had five years' service.

The MINISTER FOR RAILWAYS: I do say that the department assured me that the information was correct. With regard to the long-service leave of the Chief Mechanical Engineer to which the hon. member referred, a good deal of the leave had accrued long before the present Commissioner assumed control.

Mr. Styants: I am not blaming you or the Commissioner.

The MINISTER FOR RAILWAYS: I know. Since I have been in charge of this department the Government's views on the question of long-service leave have been strongly emphasised, and quite a good deal of long-service leave in the Railway Department has been taken since I have been Minister for Railways. In the case of the Chief Mechanical Engineer circumstances have arisen from time to time under which he was not able to take the leave that was due to him. The department required his services. I have no desire to go into the details associated with this matter, because that would take too long. The fact remains that leave has accumulated for many years, and the postponement has been due to circumstances arising which would have made it inconvenient for the department to allow the officer to go. However, I think the officer is within a few years of the retiring age; at the same time the policy of the Government is that long-service leave

must be taken before an officer reaches the age of 65. We appreciate the fact that an officer prejudices his position by not taking long-service leave. Leave is given to an officer to enable him to recuperate, and we assume that as a result of that recuperation he will be able to render better service when he returns after his leave. At the same time, no matter which Government may be in power, circumstances are bound to arise sometimes that will prevent an officer enjoying the holidays that are due to him. There have been instances where officers actually made shipping arrangements and had to cancel them at the behest of the Government.

Hon. C. G. Latham: Do you think that should go on indefinitely?

The MINISTER FOR RAILWAYS: No, but circumstances do arise from time to time which oblige the Government to cancel an officer's leave for the time being. With regard to the Chief Mechanical Engineer it does appear that his leave has been accumulating for a considerable period, possibly 10 or 11 years.

Mr. Styants: It looks like 24 years to me.

The MINISTER FOR RAILWAYS: I do not think it is as long as that. The officer has been able to take out some of the leave, though not all.

Mr. Styants: What about the 32 weeks' accumulated annual leave?

The MINISTER FOR RAILWAYS: That was not taken for the reason I have given. The member for Pingelly (Mr. Seward) referred to poor meals supplied at Kalgoorlie. I know the dining room there, and I consider that since the alteration in the timetable from the East, quite a good meal has been provided. It is as good as any that can be obtained in the city. It is unfortunate that the passengers to whom he referred had to complain about the quality of the meal.

Hon. C. G. Latham: A good meal was provided there when I was in Kalgoorlie.

The MINISTER FOR RAILWAYS: There are always critics of meals wherever one goes. We have heard it said that no one could cook cakes like mother could. It may be because a person's digestion is not as good as it was. Many complaints regarding meals are due almost entirely to a person's digestion. The member for Pingelly made several suggestions about the speeding up of the Albany

train and about the division of the bogey trucks. I assure him that consideration will be given to the ideas advanced. The member for Kataanning said that I regarded all the suggestions that were offered as being more or less in the nature of carping criticism. But I would point out that on several occasions, both in introducing Estimates and in replying to the debate, I have given the House an assurance that all suggestions made, whether by members of the House or of the general public, received every consideration. I welcome constructive criticism. One of the functions of Parliament is to be critical. If criticism is constructive, so much the better. No one likes destructive criticism. We welcome suggestions such as those of the member for Pingelly, who, as a result of his travelling experience, has come to realise that it would be better for passengers on the Albany train if that train ran straight through from Spencer's Brook to Perth without stopping and that sheep would travel better in bogey trucks if there were a division so that the sheep would not sway so much.

The member for Swan (Mr. Sampson) spoke again about electric light extensions. We appreciate the comfort and convenience that electric light extensions afford the people. From what he has told me, I gather that the hon. member is chiefly interested in the supply of electric power. He says it would be a convenience to the orchardists in his district if they were able to pump water with the aid of electric motors, instead of having to rely upon oil engines, as many do at the present time. Those engines appear to be rather unreliable and certainly not as reliable as electric motors. A good deal of misunderstanding exists concerning power costs in industry. Recent investigations in America revealed that power costs in industry are only about 3 per cent. of the total cost, so the cost of power is not likely to make a great deal of difference in the profit or loss of the orchardists of the district of the member for Swan. I appreciate the fact that electric current would be a convenience for the womenfolk in that particular area, and to the orchardists for pumping water, and we hope to be able to allot money for some of those extensions in the near future, because once the "B" station is in commercial operation we will have to find some outlet for its potentialities.

The member for Albany dealt with what is done in South Africa. He pointed out the cost of railway construction per mile there as compared with that in Western Australia. He gave the reason for the additional cost there when he mentioned the fact that millions had been spent on bridges and tunnels. South Africa is an entirely different position from Western Australia because of the cheap labour at its disposal and its bigger population. The population factor is referred to in the Commissioner's report, wherein he points out the difference in the earnings per route mile as compared with those in Western Australia.

The member for Murchison was rather complimentary and I greatly appreciate his reference to the Commissioner and to the efforts of the Railway Department in general. We have not gone in for particularly high standards in Western Australia. We realise that our first necessity is to extend railways because of the vast areas we have to develop, and there cannot be extensions and high standards at the same time because we have not the money to afford them. But we have a standard comparable with the extent of our railways, and as far as finances will permit the Commissioner is endeavouring to improve that standard all the time. Considering all the circumstances—the rolling stock, the narrow gauge and the great distances—the Railway Department in this State is doing a very fair job. I appreciate very much the compliments paid by the member for Murchison.

The question of the lighting on the jetty at Busselton referred to by the member for Sussex has been mentioned from time to time. The matter is one of cost compared with the merits of the proposition. The jetty is lighted down to the junction. I know there have been one or two fatalities occasioned through sailors falling from ships into the water, but I speak from experience—because I walked down the jetty on a dark night to find out myself—when I say that no one in a reasonable condition of body or mind should fall off the jetty because there is a fence on one side all the way down except for one small portion where the jetty widens out. No sober person is likely to fall off the jetty. Admittedly, if the jetty were lighted right down to the end it would be a vast improvement, but the question is one of cost

and of necessity. While the proposal has some merit in it, it has not as much merit as other proposals that are put forward requiring expenditure of money.

The member for Katanning (Mr. Watts) spoke about the possibilities of the Railway Department recovering its lost passenger traffic and of how people are using motor cars rather than trains. There are reasons why the railways are losing passenger traffic other than those that might be said to be due to the service being rendered. One of the reasons was indicated the other night when another Minister, introducing either the Betting Bill or the Police Estimates, pointed out that in 1926-27, when the Railway Department reached its peak in regard to passenger traffic, there were 8,283 registered motor cars in the metropolitan area, and in 1938 there were 21,283. The same position would apply throughout the whole State. Far more cars are registered now than in 1926-27. Not only has there been an increase in the number of cars, but a vast improvement has taken place in the cars themselves. In 1926-27 a man would pride himself on having a car that would do 30 to 40 miles an hour. In a modern car one can travel 40 miles an hour without realising it. In the old days, if one had to face the possibility of having to stay overnight at Merredin in the event of coming down to Perth from Kalgoorlie by car, one thought twice about it and generally preferred the train journey. If there were a bitumen road from Kalgoorlie to Perth more people would travel by car between those two centres.

Mr. Patrick: The trains would lose a lot of passengers.

The MINISTER FOR RAILWAYS: I think they would, because of the improvement in cars and in the road. Such factors the department would find it almost impossible to counter no matter how good the service it rendered. I do not know whether I did promise the member for Subiaco that some of the trams would be reconditioned.

Hon. C. G. Latham: You did once.

The MINISTER FOR RAILWAYS: We put on an altered tram as an experiment—

Hon. C. G. Latham: Then took it off again.

Mrs. Cardell-Oliver: I have not been able to find it.

THE MINISTER FOR RAILWAYS: The modern trams in Melbourne still have hard seats.

Mrs. Cardell-Oliver: I referred to steps not seats.

THE MINISTER FOR RAILWAYS: Well, the people that use the trams to-day used them when they were first introduced.

Mrs. Cardell-Oliver: But the people have grown older.

THE MINISTER FOR RAILWAYS: There were old people in those days. When hobble-skirts were worn, women had difficulty in boarding trams. The Melbourne trams, I know, are built lower down on the road and are quite easy to enter. There is a consequent difference in the speed at which they are able to travel from end to end.

Mrs. Cardell-Oliver: It would not cost much to put in another step.

THE MINISTER FOR RAILWAYS: I think there are some technical difficulties connected with the additional step.

Hon. C. G. Latham: Some framears have two steps, some only one.

THE MINISTER FOR RAILWAYS: I have an impression that the altered tram proved that added danger arose from the added step.

Mrs. Cardell-Oliver: That is not so.

THE MINISTER FOR RAILWAYS: There appears to be less danger when one has to negotiate only a single step than when one has to negotiate two steps, as in the tram which was altered. I shall again take up the matter with the tramway people.

Hon. C. G. Latham: Some steps are high; some are low.

THE MINISTER FOR RAILWAYS: What can be done for the women who have babies and who cannot get seats?

Mrs. Cardell-Oliver: In Russia four seats in a tram are reserved for women with babies. Surely we can do as much as Russia does!

THE MINISTER FOR RAILWAYS: Formerly men willingly gave up their seats to women with babies. Nowadays women seem to insist on a measure of equality and to fail to appreciate it when they get it. That is the trouble. Anatole France in one of his works pointed out to women that they were fast losing their privileges because of their desire to obtain equality with men. However, it is a striking reflection on exist-

ing conditions if women nursing babies are unable to find seats in trams—unless, of course, all the seats are occupied by women, though even a woman usually will stand up in order to give a seat to a woman who is nursing a baby. I believe that also applies to men, despite women's demand for equality.

Now as to lights on trams, which have given rise to some contention. We all know that if there were more lights around a tram it could be better seen by motorists. My feeling is that a motorist who is capable of driving a car should be able to see things on the road that are not lighted at all. He should be able to see, for instance, a pedestrian crossing the road.

Hon. C. G. Latham: Drive a car some time and see!

THE MINISTER FOR RAILWAYS: I have travelled on many country roads over which timber is carted, and have been able to see a log across the road. I have also been able to see bricks that had fallen off a commercial vehicle. Cannot a capable motorist see such things on the road? All the motorists I have driven with have been able to see them, anyhow. Tramway authorities throughout the world agree that the present system of lighting is efficient. As I once pointed out to a deputation, in Kalgoorlie the cars had lights something like the lights on locomotives.

Hon. C. G. Latham: Why not have such lights on buses?

THE MINISTER FOR RAILWAYS: Because buses are on the wrong side of the road half the time, passing other traffic. Trams cannot do that. Many references were made to a smash on Mount's Bay-road, where a motorist ran into a tram at night and the tram was standing in the loop, not moving at all. I pointed out to a deputation that some magistrate had drawn attention to the lighting of cars. A Kalgoorlie magistrate was killed by running into the side of a tram. Motorists should at least be able to see a tram. Departmental statistics prove that most of the accidents occurring between motors and trams occur in the daytime—not at night. So the lights on trams will not make much difference to people who cannot see a tram in the daytime without running into it. Still, I appreciate the argument that if three lights are put on a tram, motorists can see it better than if it has only one light. So much is undeniable. If there

were lights all around a tram, as on the celebration of some important event, one could see it better still. Were I a motorist, I would be ashamed to acknowledge that my road sense had remained so undeveloped that I could not see a tram come along.

Hon. C. G. Latham: Have you ever driven a motor car in a shower of rain at night-time?

The MINISTER FOR RAILWAYS: I have had the experience of driving a tram in a shower of rain at night-time. In those circumstances I was particularly careful. I knew what speed I could go at when driving through a shower of rain at night. I have had years of experience in driving vehicles, and during those years I developed a road sense. That sense is developed whether one drives a buggy or a motor car. Many motorists lack a good road sense.

Mr. Doney: Because they had to get out of your road!

The MINISTER FOR RAILWAYS: Every time an accident occurs in connection with a tram, the motorman is called up and asked why. He has to put in a report explaining why he is such an incapable driver that he cannot go along without hitting something. The motorman is compelled to have great respect for other people. There is nothing a motorman likes better than to go through the whole year without having an accident—unless it is going through ten years. The member for Roebourne (Mr. Rodoreda) drives a motor car, and is a capable driver, and knows as well as I do that there are hundreds of drivers on the roads who have not yet developed a road sense. Many of them have not been driving long enough to develop such a sense. It cannot be developed in six months. At the Perth Police Station one is given a permit for a month to learn to drive. So I presume one is supposed to know all about it in a month, that being all the period the permit gives. Then, having shown one's proficiency by driving around the Horseshoe Bridge, one gets a license to drive. However, a road sense is not to be developed in a month. Many people never develop that sense. One cannot but admit that if there were more lights on a tramcar, it would be seen more easily. However, a tramcar should be seen as it is. That is the point.

As regards a request of the member for Pilbara (Mr. Welsh), I have to point out that £10,000 of the railways deficit of £19,000

is due to the Port Hedland-Marble Bar railway. Of the £19,000 the department lost, £10,000 was lost on the working of that line. It is a losing proposition, though I do not wish to rest this case entirely on that fact. It is not usual for the department to grant concessions except within the department itself. The railway employees receive free railway fares, perhaps those working on State steamers receive free passage on those steamers, and possibly employees of the Water Supply Department may receive some allowance for excess water. To extend privileges from one department to another would establish an undesirable precedent. Employees at Port Hedland are allowed to accumulate their leave so that they will have a holiday every three years instead of having to take it every year as they do in the metropolitan area. To that extent they receive a concession. Many of them are up there for a period only. Others are there all the time and are engaged locally. They are picked up at Port Hedland and are not moved about from one part of the system to the other. Ordinarily, the railway organisation must dispose its staff to the best advantage.

Mr. Welsh: What privileges do they get?

The MINISTER FOR RAILWAYS: They are picked up in the district.

Mr. Welsh: Some of them.

The MINISTER FOR RAILWAYS: Those that are engaged on the permanent way. Men transferred from the metropolitan area or some other part of the system remain at Port Hedland for three years only, after which they may be transferred if they so desire.

Mr. Welsh: Some of the men are married.

The MINISTER FOR RAILWAYS: There is a difference between them and the other railway employees. They remain there and are not moved about. The department does not expect to have to move them about. Other employees may be in Fremantle to-day and in Wiluna next week. Because they are moved about from point to point within the service, they receive concessions in railway fares. We say to the men, "You have to go where we want you to go." We do not say that to the men at Port Hedland, because the job is a local one. They know the conditions when they take on the work, and they know they are allowed to accumulate their leave for three years if they so desire, in which case they have time to come south.

Mr. Welsh: The holidays they get would not permit them even to reach Perth.

The MINISTER FOR RAILWAYS: They would surely have a week in Perth.

Mrs. Cardell-Oliver: It is not healthy for them to remain there so long.

The MINISTER FOR RAILWAYS: Many occupations are unhealthy. The hon. member has had an easy time in this world. She has a great deal of sympathy for people, but she must realise that many persons have to put up with difficulties. Men are engaged in all kinds of unhealthy occupations, but must take them in order to live. People born with a silver spoon in their mouths do not appreciate the difficulties that other people have to contend with. They live in a half of the world that knows very little about the other half, although they throw out occasional sympathetic remarks.

Mrs. Cardell-Oliver: There is no necessity for you to be sarcastic.

The MINISTER FOR RAILWAYS: Something more than that is required to remedy all the evils of our social system.

Mrs. Cardell-Oliver: Such as free transport for these men.

The MINISTER FOR RAILWAYS: We require something more than sympathy. As the song says, "All I get is sympathy and it is not a bit of use to me." The member for North-East Fremantle referred to the minimum charge for the supply of electric current. That is a principle established in connection with the supply of electric current wherever it is supplied. Certain maintenance charges are involved in all house connections. The department has to be responsible for the transmission of the current to the consumer's house, right up to the point of entry. For business principles we have to fix a minimum charge which, at 10s. a quarter in the Cottesloe area, is a low one. We cannot disturb that well recognised principle. No great demand is made upon the Commissioner in respect of the amount of current used. Whilst I feel sympathetic towards the few people who may not use enough current to reach the minimum charge, I feel it would be unwise to introduce an undesirable principle into the business of supplying electric current. People may be well enough off to go away for their holidays and lock up their houses, in which case, without a minimum charge, they would pay nothing. It would be difficult to distinguish between one and an-

other. So long as the minimum fixed is low, I can see nothing wrong with the principle. The hon. member wants the number of lights for local authorities increased, or the rate charged per light reduced so that they may have more lights for the same or less money. If a person is looking for reductions in electric light charges, he should be ready to put up a proposal that if more lights are supplied more current will be used. The suggestion, however, is that the same amount of current will be used but that more lights are wanted. If it were that twice as much current would be used, provided the price per unit were reduced, the proposal would be worthy of consideration. As it is, we are expected to give away something and receive nothing in return.

Mr. Cross: You made more profit last year.

Mr. Thorn: The lights will be out in a minute.

The MINISTER FOR RAILWAYS: The charge in the district in question is a reasonable one. We could not consider any proposal to provide more lights for the same revenue. If a proposal were submitted whereby the local authorities would greatly increase their consumption so that the department would also enjoy augmented revenue, in consequence of which a proportionate reduction could be made in the cost of current to those authorities, it might be worthy of consideration. On the other hand, the local authorities desire more lights for the expenditure of the same amount of money. As to the transfer of customers, to which reference was made by the member for North-East Fremantle, I should say that has been due to the fact that the Fremantle board was able to provide more favourable conditions than the department. The situation may be due entirely to the particular type of consumer involved. I do not know the circumstances associated with the matter, but there must be some very good explanation. I thank members for the way they have received the Estimates and I assure them that all constructive suggestions advanced will be given due consideration.

Vote put and passed.

Progress reported.

House adjourned at 10.38 p.m.