

# Legislative Assembly.

Wednesday, 12th August, 1936.

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

## TEMPORARY CHAIRMEN OF COMMITTEES.

The SPEAKER : I desire to announce that I have appointed Mr. Withers, Mr. Hegney and Mr. Sampson to be temporary chairmen of committees for the session.

## QUESTION—TOURIST LITERATURE.

Mr. HILL asked the Premier: What amounts have been expended each year by the Government on tourist literature for the last ten years ended the 30th June, 1936?

The MINISTER FOR LANDS (for the Premier) replied: Year 1926-27, £1,387 1s. 3d.; year 1927-28, £1,564 6s. 3d.; year 1928-29, £2,253 9s.; year 1929-30, £1,595 17s.; year 1930-31, £873 2s. 9d.; year 1931-32, £311 11s. 11d.; year 1932-33, £408 13s. 8d.; year 1933-34, £571 6s.; year 1934-35, £179 1s. 8d.; year 1935-36, £764 10s. 10d.

## QUESTION—AIRPORT, RE-NAMING.

Mr. J. MacCallum SMITH asked the Premier: 1, Have the Government been consulted by the Federal authorities regarding the naming of the new airport at Bullsbrook? 2, Is it correct that the Federal Government propose to glorify one of their members by naming the airport "Pearce"? 3, As the foisting of such a name on our principal aerodrome would be extremely repugnant to the majority of Western Australians, will he make an emphatic protest against the proposal?

The MINISTER FOR LANDS (for the Premier) replied: 1, Yes. 2, The Federal authorities suggested the name of Pearce. 3, The new townsite has been gazetted as

Kingsford, and the Federal authorities informed that this name cannot be altered.

## QUESTION—ELECTRICITY, DIRECT TRANSMISSION.

Mr. NORTH asked the Minister for Railways: 1, Does the consumption of electricity in the metropolitan area vastly exceed the figure at which it was considered some years ago advantageous and more economical to transmit high tension current direct from Collie? 2, Does the new installation at East Perth signify abandonment of the major Collie power scheme? 3, Has the experience gained in the Melbourne Yallourn scheme strengthened the case for the direct transmission of the bulk of supplies here at some future date?

The MINISTER FOR LANDS (for the Minister for Railways) replied: 1, Yes, but improvements in modern steam plants for power stations have altered the position. 2, Yes. 3, No.

## QUESTION—EMPLOYMENT, FULL-TIME WORK.

Mr. NEEDHAM (without notice) asked the Minister for Employment: Will the Minister inform the House when the Government are likely to finalise consideration of the question of providing full-time employment or improving the existing conditions of relief workers?

The MINISTER FOR EMPLOYMENT replied: The matter has already received consideration by Cabinet, and it is expected that a decision will be arrived at within the next few days.

## GOVERNMENT BUSINESS, PRECEDENCE.

On motion by the Minister for Lands (for the Premier), ordered: That on Tuesdays and Thursdays Government business shall take precedence of all motions and orders of the day.

## ADDRESS-IN-REPLY.

Third Day.

Debate resumed from the previous day.

MR. NORTH (Claremont) [4.37]: At the outset, Mr. Speaker, I desire to congratulate you upon election for your second term

of office in the Chair. An event of major importance has occurred since we last met. I refer to the death of the late King and the establishment on the Throne of His Majesty, King Edward VIII. The accession to the Throne of His Majesty is significant at this particular juncture, for the reason that our present King has shown himself a great democrat at a time when in other countries there are dictatorships, rebellion and revolution. His Majesty has been giving a lead to his subjects with regard to problems that confront, not only Western Australia, but every other country. He has touched upon the economic paradox that has given so much trouble in various countries for many years past. He has even gone so far as to state in his speeches that production and consumption must be brought into proper relationship. So upon that particular point, which has received so much attention for some time past, we have received from the Throne a lead that I hope everyone will follow. His Majesty has shown himself to be a great reformer, and that has been demonstrated by his action in travelling throughout Great Britain, pointing out the evils of the slum problem. On the occasion of his visit to the giant Cunard liner "Queen Mary," he took the opportunity to inspect the poorer parts of Glasgow, and, as a result, to make known to the nation the difference that existed between the building of one of science's greatest marvels and marine engineering triumphs, and the terrible hovels in the city and distressing conditions under which some residents of Glasgow existed. With that lead, we on the Opposition side of the House can continue to press for an improvement in the conditions of those who have suffered from the consequences of the recent depression. It is pleasing to notice indications on the Government side of the House of a desire to secure improved conditions and better treatment for those who are in receipt of part-time employment only. I was glad that the Leader of the Opposition mentioned the point in his speech last evening, and he went further by stating that the farmers were placed in an even worse position. I realise that when Opposition members bring pressure to bear on the Government to improve conditions, the occupants of the Treasury Bench adopt a dif-

ferent attitude. They have always stood for conditions as they are, and endeavour to justify their actions. The curious thing is that whoever may be in Opposition always apply that pressure, and whoever may be in charge of the Government always advance justification for existing conditions. I presume it is inevitable, but nevertheless now we have the lead given us by His Majesty the King who has openly demanded improved conditions for the poorer section of the community, we can rejoice in renewed energy to carry on the agitation. Not only has the present King, as a great reformer, lent his encouragement to the advocacy for improved conditions, but now we find additional encouragement in the fact that one of the world's leading economists, Mr. J. M. Keynes, who has published a new work from which I propose to quote a short extract that should prove interesting to members. It should assist those sitting in Opposition as well as those sitting behind the Government, who are anxious to secure improved conditions. Mr. Keynes has deliberately changed the whole of his ideas regarding how to overcome the depression, and his views should encourage us to proceed with the work. In his latest book, entitled "The Theory of Unemployment," Mr. Keynes includes a reference that should encourage us regarding the policy we are advocating. He states—

If nations can learn to provide themselves with full employment by their domestic policy, there need be no important economic forces calculated to set the interest of one country against its neighbours. There would no longer be a pressing motive why one country need force its wares on another or repulse the offerings of its neighbour, not because this was necessary to enable it to pay for what it wished to purchase, but with the express object of upsetting the equilibrium of payments so as to develop a balance of trade in its own favour.

It will be seen that Mr. Keynes suggests that the previous export complex that has been forced on the world is no longer tenable. He has directly urged the Government to do what we have been advocating, namely, to establish a domestic settlement along the lines of full-time employment. The pressure that has been brought to bear by Opposition members, and the questions asked on the Government side of the House, should result in action being taken by Ministers.

Mr. F. C. L. Smith: Mr. Keynes was referring to a Government possessing greater powers than our Government.

Mr. NORTH: But he indicates how those powers can be linked up. Years ago definite action was taken by this Parliament to alter the whole of our financial arrangements, and the Loan Council was brought into being. Ever since then our financial powers have been largely delegated to that body. That would not prevent the present or any other Government from bringing before the Loan Council the various needs of the State. So far as I am aware, the Government received almost everything they asked for at the last meeting of the Loan Council. Therefore, any pressure for the adoption of full-time work or the amelioration of the workers' conditions should have been provided for. To complete the new outlook, Mr. Keynes also said—

The ideas of economists and political philosophers when right or wrong are more powerful than is commonly understood. Indeed, the world is ruled by little else. Practical men who believe themselves to be quite exempt from any intellectual influences are usually the slaves of some defunct economist.

The power of vested interests is vastly exaggerated compared with the gradual encroachment of ideas, not immediately but after a certain interval, for in the field of economical and political philosophy there are not many who are influenced by new theories after they are 25 or 30 years of age, so that the ideas which civil servants and politicians and even agitators apply to current events are not likely to be the newest. But soon or late, it is ideas, not vested interests, which are dangerous for good or evil.

In other words, he really points out that when we analyse the motives that guide us at the Loan Council and elsewhere, we are working on probably old-fashioned ideas, which leads one to hope that pressure of this kind by the people through their representatives will eventually bring the changes desired in the conditions of those who are not so fortunate as they might be. I hope that an announcement will be made by Cabinet in a few days that action will be taken to place men on full time. One effect of such action would be that business would revive immediately, because there would be better markets for those people who have goods to supply. We have to remember another point, namely, that the whole situation in Europe has altered since the last Parliament was dissolved. This brings me to the most

pressing motive which would justify us in bringing about an expansion of our secondary industries. I refer to the need for defence. The defence motive must be prominent from now on, and it seems to me that one of the first things we in this State will have to do will be to develop our power supplies. At present we have enormous primary industries established here, but if we are going to defend this country, action must be taken almost immediately to expand our population and, side by side with that, our secondary industries. Some months ago the Federal Attorney General, Mr. Menzies, while in England, made an interesting statement. He spoke over the air on the short-waves, the speech having been delivered at an important function on the subject of migration. He made the clear statement that immigration to Australia could not be regarded from the point of view of further primary production as in the past, but must be regarded entirely from the point of view of establishing secondary industries and augmenting our population. That was a new outlook for a Federal Minister. If there is a State of the Commonwealth above all others needing that improved balance in its industries, namely an increase of secondary industries, it is Western Australia. For some reason we have been brought up to consider this State as purely a primary producing State. With the menace of invasion upon us and the need for general expansion, the time has come to press strongly for Government policy for the development of secondary industries in this State. It must be noticeable to everybody whenever a new industry is suggested—recently the manufacture of motor cars and aeroplanes has been proposed—how New South Wales, Victoria and even South Australia rush to obtain the benefit within their own borders. The time has come when we should be in the picture. If we are going to step into line with the Eastern States, we must visualise in Western Australia a population of at least 5,000,000 people before we can effectively hold the country. Those 5,000,000 people could easily be provided for to-day by the primary producers. Every member of a country constituency will bear me out in that statement. With our present farming areas and pastoral holdings, provided they were properly and fully worked, we could easily supply the local market. Consider now the other side of the picture, the factory side. What is the key? Cheap power

and nothing else. The rest is purely a matter of brains, which can be paid for.

Mr. Marshall: What would you do with the products of secondary industries or factories? Who would buy them?

Mr. NORTH: One might make the same remark regarding Victoria or New South Wales. The Federal Grants Commission's report contained a very important contribution from Australian economists to the effect that if Australia reverted to primary industries alone, it would be able to hold a population of only 2,000,000 people as against 6 $\frac{3}{4}$  million at present. Therefore, the balance of 4 $\frac{3}{4}$  million people is entirely due to the fact that Australia has secondary industries. I should mention that the economists added that it would be more efficient, in an economic sense, for Australia to have 2,000,000 people instead of 6 $\frac{3}{4}$  million. The only obstacle to enormous expansion in Western Australia is the development of cheap power.

Mr. Marshall: Will you explain why England, which lives on manufacturing, has 23 $\frac{1}{4}$  millions of unemployed at the present moment?

Mr. NORTH: The hon. member is trying to draw me off the track. I do not wish to touch upon general subjects. Cheap power is what we need in this State and we have the opportunity to provide it. I fought my first election on that very question and the Claremont electors saw the force of my argument. For years we have battled to get the Collie power scheme developed, but unsuccessfully. There has been a preference for growing pumpkins by London bus drivers. A sum of £6,000,000 or £7,000,000 has been spent on group settlement, but less than half of that expenditure would have provided the essentials for a balanced development of the South-West. I have noticed that wherever there are large cities and great secondary industries, it has always been a very simple matter to produce primary products. Even at present, places as far distant as Tasmania are very glad to grow potatoes for the Sydney market, and so it goes on. The secondary industry is what Western Australia needs. So far, however, we have only been toying with the question. The secret, as I have said, lies in the provision of cheap power, but what are we doing?

The Minister for Employment: What about purchasing power?

Mr. NORTH: All our cheap power is generated by hauling coal from Collie to East Perth. We have an enormous power plant at East Perth, but the experience elsewhere is that the most economical place to generate power is at the pit mouth. If we are going to develop this country on the basis of secondary industries, we must carry high tension power lines from Collie to Perth and make adaptations for local settlements en route as required. Then it would be quite easy to grow pumpkins to the heart's content, as well as other commodities, and there would be a market for them; there would be people to eat them.

Mr. Marshall: How can people eat when they have nothing with which to buy the "eats"?

Mr. NORTH: The hon. member will have an opportunity to speak on the subject. Due to the menace of invasion, the need for defence and the changes in Europe, the time has come when the Government should make a strong drive to secure the establishment of secondary industries in this State. The Premier should bring up the subject at the Loan Council and have the matter thrashed out in all its aspects. If the question were put point blank to economists and other advisers of Governments, they would agree that the only secret is cheap power. The Yallourn scheme in Victoria has proved itself, and there is no reason why Collie or Irwin River coal should not be used in this State to permit of the establishment of secondary industries on a decent basis. The Minister for Mines will agree with me that the industry which he has succeeded in fostering during the last few years, to the undoubted benefit of the State, affords an instance of how local conditions can be improved when one gets away from the purely primary aspect. The greater the expansion, the better the market for primary products. The success achieved in the gold mining industry is an indication of what secondary industries would do for the State. Bound up with this question is the proposal to provide trolley buses for Claremont. It seems to me that only with great reluctance did the Government decide to extend the equipment of the East Perth power house. To make such an extension

involves heavy cost, and it is done only to meet existing requirements. Yet the Government are going out of their way to instal a trolley bus service in the Claremont-Nedlands area at a cost of probably £100,000. I wish to make myself very clear on this point. I would not have it thought that I am, as it were, looking a gift horse in the mouth. The people of Claremont were very anxious to secure better transport facilities. They were very disgusted when, two or three years ago, under the new transport regulations, they were denied the right of utilising motor buses and taxis as a means of transport.

Mr. Raphael: Did not they ask for trams in the first place?

Mr. NORTH: The hon. member means, years ago—

Mr. Raphael: I mean you.

Mr. NORTH: The hon. member means the local authorities and others in the Claremont area some 15 years ago.

Mr. Raphael: And their member of Parliament.

Mr. NORTH: That is not so.

Mr. Raphael: It is.

Mr. NORTH: My friend has been good enough to give me the opportunity to bring up this matter. Actually, the Claremont trams were inaugurated at the request of the then member for Claremont, Mr. Jock Thomson, a fine fellow. The people of Claremont asked for the extension. The only part the hon. member here played was when the request came up to extend the transport from the Swanbourne station to the sea front. That is all we did. We are now dealing with the question of the Government extending the trolley bus service to Claremont. Whilst there is a great need for secondary industries here, and whilst the Government do not see their way clear to going ahead with the Collie power scheme, it appears to me that if we make this big demand upon our resources, and expand our secondary industries and increase our population, we shall need every unit of power obtainable from the East Perth power house to work the new factories, and supply domestic needs. If the Government extend the trolley bus service and increase their turnover in this way, they will take away a great deal of the limited power available from the purposes for which the East Perth power station was originally designed. As members know, there were actually two pur-

poses at the back of the establishment of that institution. The first was to deal with the various factories as they came into being, and the second purpose was to electrify the main railway from Fremantle to Northam. I wonder why the second purpose was dropped. Members who have been in the House for some years will recall that the power station, which was established during the time of Mr. Scaddan, was designed so that our railway system from Fremantle to Northam might be electrified. It is curious that that project has been abandoned. If the idea was a good one when the population was half what it is to-day, it must be a good idea now for the avoidance of grade haulage, and for other reasons. Although that was the original motive for erecting the East Perth power house, it has not only been abandoned but the Government are now prepared to expend money upon expanding and modernising our tramway transport services, whereas in fact we should be modernising our suburban railway services. There is need for electrification in other quarters. It is remarkable that when the people of Claremont already have a very fine bus and taxi service supplying the district, they are not allowed to use it. If there is money to spare for electrification purposes, I cannot see why it is not spent upon our suburban railways at least. The question is not yet settled. There is still time for the Government to use the trolley buses, when they arrive, in some other part of the metropolitan area where they may be of greater service. I do not propose to suggest where they should be used, as it is not my province to discuss the districts of other members. I would not be surprised to learn that the residents of Mt. Lawley would be only too pleased to have trolley buses running through their district, as they would save a lot of time and be a very convenient form of transport. It is a wanton waste of money to spend £100,000 in the Claremont area when the district is already served by very good buses and taxis.

Mr. Shearn: The member for Nedlands will tell you about the service out there.

Mr. NORTH: This is the only bone of contention in Claremont about which there is any agitation. The residents would be very pleased to have a speeded-up five-minute service if for some mystic reason unknown to them they are not permitted to use the existing buses and taxis. Apart from their being citizens of

Claremont, however, they feel they have a duty as citizens of the State. They have read with some concern of this commitment upon the people of the country, of this large expenditure upon the Claremont route. I cannot object to the Government improving the State services. They have a right to do so if they feel that the money is available, but I do think that commonsense should be allowed to prevail when it comes to a question of duplicating the existing facilities. There is, perhaps, a final request that can be made. In the metropolitan area the people have inherited one of the most beautiful cities in the world. Surely we can in this matter forget our principles with regard to State enterprise or private enterprise, and consider the extent to which we are going to disfigure that beautiful drive around the river. Even with poles most beautifully levelled, and with electric lamps of the most beautiful design, I do not see how they can fail to disfigure one of the most beautiful riverside drives in the world. From the point of view of the aesthetic, the Government might consider that argument. If they do remove the Claremont trams, let them, if necessary, replace them with half a dozen of their own Diesel buses. That would still allow the Government to retain their position as supporters of State enterprise along that route.

Mr. Withers: But that would not mean using electric power with which to drive them.

Mr. NORTH: There are even now many demands upon the East Perth power station through existing factories, and because of the increasing domestic consumption. If this State expands, as it must expand if we are going to preserve it for the use of the white race, it will scarcely be possible to draw upon that station for the transport of the people by means of trams. If the Government insist upon entering that field of competition, let them buy half a dozen Diesel buses of their own, and so avoid the despoliation of the beauties of the thoroughfares to which I have referred, by means of unsightly poles. Let us, if possible, preserve a city beautiful. Let it not be possible for the children of the future to say it was the Collier Government which caused these poles to be erected and a blot to appear upon this fair city. Already we have one particular blot in the city to contend with, and that is represented by the gasometer tower. No matter what we do in Perth in the next 20

years, that tower will disfigure the skyline. Let us not spoil the riverfront in the same way. For the sake of the city, can we not waive this one point? If the Government must enter this field of competition, let them do so by means of half a dozen State Diesel buses. I appeal to the Government to utilise these trolley buses upon some other route in the metropolitan area.

**MR. F. C. L. SMITH** (Brown Hill-Ivanhoe) [5.10]: I desire to offer you, Sir, my congratulations upon your re-election to the Speaker's Chair, and to extend to you my best wishes for a long term of office in that exalted position. The honour which has been conferred upon you is in part due to the fact that the Government were returned with a majority at the last elections. We have to admit that their numbers are depleted but of course ins and outs in politics are a characteristic of them. It can be said of all Governments although possibly less of Labour Governments that they fail to realise the expectations which the enthusiasm of an election arouses when bidding for that election. It is a characteristic of politics. Mr. Joseph Chamberlain, the celebrated English statesman, the centenary of whose birth was recently honoured, on one occasion in a speech to unionists at West Birmingham, on 15th May, 1903, said "There must be ups and downs in politics. I have had now a lot of experience, and I safely predict of any Government that if it endeavours honestly to grapple with the problems of its time, it will lose a certain amount of support." Those of us who have had any experience of politics, or taken any interest in politics, will agree that Mr. Joseph Chamberlain's statement of the position is correct. If this Government experienced some measure of failure through the loss of seats at the last election, I should say that the extent of this failure was due to their honest endeavour to grapple with the problems of the time. The failure of their predecessors to get results from their endeavours when they held office, or to give promise of such improvement at the last election as to warrant their return, was due to their inability to grapple with the problems of the time. It can be said that the losses suffered by the present Government are not to be compared with the losses that would have been suffered by their opponents had they been in office during the last three years.

Hon. P. D. Ferguson: Now you are spoiling a good speech.

Mr. F. C. L. SMITH: If there is disappointment in respect to the achievements of the present Government during the next three years, at least it can be said that it will be less acute than if the opponents of Labour had held office during that period. Whilst I am speaking of the expectations that are aroused by political parties when bidding for office at election time, I might refer to one or two points that appeared in the policy speech of the Leader of the National Party at the last election.

Mr. Raphael: There was no policy in it.

Mr. F. C. L. SMITH: He said that the Government had sent men with large families into the bush, and forced them to sever themselves from their family life. What about the Government with which he was associated? Did not they send men into the bush, force them to sever themselves from their family life? And was not the hon. gentleman associated, or if his party had been successful at the last general election would he not have been associated, in a Government with the Leader of the Opposition, the member for York, who has complained recently, and also complained during the last Parliament, that too many works are being carried out in the metropolitan area and not enough in the country districts? Another point which the Leader of the National Party put to his audience in the course of that policy speech was that if he was returned, sustenance workers would be treated as fellow-men and not as outcasts. The answer to that declaration, of course, is the question, how did his Government treat the sustenance workers? What about Blackboy Camp, and the conditions at Hovea, Frankland River, and Fremantle? It is well for the hon. gentleman to talk about treating sustenance men as outcasts when those conditions prevailed under the Government with which he was associated. In the course of his address the hon. gentleman also said:—

I should like to promise them full-time work, but without any knowledge of the finances such a promise would be misleading.

I venture to say that the finances under a Country Party-National Government would never be good enough to give the sustenance workers full-time employment.

Hon. C. G. Latham: Apparently they are not under a Labour Government either.

Mr. F. C. L. SMITH: As Leader of the National Party the member for Nedlands should have made himself acquainted with the state of the finances. He had plenty of opportunity reasonably to understand, at any rate, the financial position. I would recommend to the member for Nedlands that he read again the Case for Secession, in which the financial experiences of Western Australia are set forth in a clear and definite manner, and the experience of revenue expenditure is set out not only in accordance with the details recorded but likewise so adjusted as to make the figures conform to the most modern methods of book-keeping. For the Leader of the National Party, who proclaims himself a prominent secessionist, to declare to the public of Western Australia, when he has at his disposal that very valuable publication the Case for Secession, that he is not aware of the financial position and therefore cannot tell the sustenance workers whether he will be able to provide them with full-time work, suggests a deplorable state of affairs. It is a pity that the hon. member should not have been aware of the financial position, considering that details of the position generally are published also in the "West Australian" practically every month. I am inclined to agree with the member for Claremont (Mr. North) in advocating changes in our banking and monetary system, but I am of the opinion that if ever the finances of a National Government are sufficient to provide full-time work for those on part-time relief, under conditions similar to those existing to-day, there will have been a great change in the banking and monetary system throughout Australia. I desire to offer my congratulations to the Government on having balanced the Budget during the past financial year. We realise, of course, that that has been possible through improved economic conditions generally, and through the increase in the national income. The revenue, it is to be noted, was £10,033,721, and the expenditure £9,945,343, leaving a surplus of £88,378. It is also worthy of note that the revenue represents £22.4 per head of the population as estimated at December, 1935. On the same basis the expenditure represents £22.2 per head. The Lieut.-Governor's Speech mentions that this is the first surplus recorded since 1926-27. In that year the revenue was £25 14s. 11d. per head, and the expenditure £25 13s. 5d. I consider it desirable to call the attention of the House

to the fact that the surplus realised on that occasion was realised by a Labour Government. However, I trust that the Premier will be able to assure the House that the surplus this year has been realised on a somewhat different basis from that obtaining in 1926-27. There was a certain degree of budgetary equilibrium attained on that occasion by the suspension of sinking fund payments and the taking of moneys from Loan to repay a sum equal to the deficiency existing in interest collections. Naturally, we have to admit that that kind of book-keeping does not disclose the true position. I understand that the practice of taking money from Loan repayments to make up interest that should be paid on Loan advances has now been discontinued. I take it, too, that when the allowable deficits of the States are agreed to at the Loan Council, those deficits must bear some relation to reality. The deficits agreed upon, or the balancing of Budgets without any deficits expected, become at the Loan Council a part of the agreement entered into by the Premiers or Treasurers or representatives of the States at the particular meeting of the Loan Council. The Loan programmes of the States are agreed to, together with the deficits or the balancing of Budgets, as part of the general agreement. Now that we have a Loan Council, we have also unification of finances. With the unification of finances of Commonwealth and States as now existing under the power given to the Commonwealth Government at the last successful referendum held in Australia, it is essential that each party to the Financial Agreement shall do its best to maintain the credit of the whole. The balancing of Budgets is most important for this purpose, as well as for the purpose of obtaining the maximum consideration for proposed loan programmes.

Mr. Lambert: No Government can balance a Budget any more than a barometer can govern the weather.

Mr. F. C. L. SMITH: I mean that the collective aim of the Loan Council cannot be defeated by a recalcitrant State, or by wide departure from what the Loan Council collectively considers to be sound finance. That, in my opinion, is a point which every member should consider earnestly, in view of the fact that it limits

the power of the States with regard to their finances, imposing upon them certain obligations, among which is the balancing of the Budget or the realisation of a deficit as agreed upon. There is occasionally a tendency for politicians or parliamentary candidates to deride the desirability of balancing the Budget: but I would say that now we have this unification of finances, those who would deride the balancing of Budgets, and especially those who favour Secession, should make it clear that the finances of the Commonwealth are now unified, and that the people have given to the Federal Government powers under which the Commonwealth can divert or detach the whole or portion of the specified revenue of the States, or even money to the credit of a State in trust funds, for the purpose of enforcing the provisions of the various Acts under the Financial Agreement. The Lieut.-Governor's Speech states that although the surplus indicates returning prosperity, there can be no relaxation in economic Government expenditure. The Speech draws attention, for instance, to the drought in the north-east portion of the wheat belt, and also the drought in the pastoral areas. Then there is that other aspect which may have an important effect on the income of Western Australia during the current financial year—the Federal policy with regard to Japanese imports. It cannot have other than a highly adverse effect on the price of wool, and on wool marketing generally: and this will react to our disadvantage as regards our income from wool. The Leader of the Opposition has said that the farmers must be helped, else they cannot reap the advantage of the higher price of wheat. He there indicates an avenue for Government expenditure in that direction. Then there is a demand among the unemployed part-time workers for full-time, which indicates still another avenue for Government expenditure. Also the group settlers are complaining of having to pay interest on the readjusted capitalisation of their properties: which means that if we cannot get any interest on the loan money that has had to be spent for the purpose of bringing those properties to their present state of development, the Government will have to find the money from some other source for the purpose of paying interest on



that loan money. Again, we see that the Chamber of Commerce is pressing for the abolition of the Financial Emergency Tax Act. So there are plenty of avenues in respect of the demands that shall be made on the revenue of the State during the next 12 months, while also there are demands in other directions for diminishing the revenue of the State. Then there is another aspect which might very seriously affect the position of the State during the next 12 months. I refer to the Grants Commission. Last year this State I think received £800,000 as the result of a decision of the Grants Commission in respect of our disabilities. But the position on that occasion was somewhat different from the present position. I do not know how soon the Grants Commission will make their next decision, but I understand it will not be very long. The point is that if they adhere to their policy of making dire necessity the basis for the next grant, instead of the proper basis of preventing the States from being reduced to dire necessity, there will be danger of a reduction in our grant this year. Then there is the loan position to be considered. Admittedly this State has not been treated too badly by the Loan Council during the past three years. I think it will be agreed that the Premier, Mr. Collier, who in his policy speech at the elections before the last, said he was going to the Loan Council to demand further loan moneys than we had been getting—I think he was pretty successful in living up to the promise he made on that occasion. When I say successful, I mean comparatively successful in proportion to the general policy of the Loan Council. We know that during the last couple of years that policy has been to taper off loan expenditure at the behest of financial institutions. That policy had been pursued long before the unemployment, which the Loan expenditure was intended to relieve, has been properly relieved. The Loan Council, as everyone knows, has been dominated in its policy by the Commonwealth Bank Board, and the Bank Board apparently is subject to the influence and dictates of private financial institutions. Those institutions have more power than have Governments in determining how much loan money shall be spent in this Commonwealth on necessary public works for the purpose of providing employment. It is possible, I know, that if the Commonwealth Bank were given greater powers and were placed on a

competitive basis, they would not be so subject to the domination of outside private institutions. But the present Federal Government, as politically constituted, is opposed to the policy of placing the Commonwealth Bank on a competitive basis and freeing it from outside domination. This paragraph, which I took from the "West Australian" recently, illustrates the point I have been trying to make. It reads as follows:—

**The Commonwealth Recovery.**

The "Financial News" commenting on the preliminary Australian budget, states that the figures could show no more striking evidence of the extent of the Commonwealth's financial progress, which is the direct consequence of marked improvement in domestic trade following a bumper wool season in 1933-34. The only disquieting feature in the whole position is the growth of imports in conjunction with the strain that trade activity has imposed on banking liquidity and Japanese wool tactics. The efflux of visitors to the Coronation next year may disturb the equilibrium of balance of trade. A cautious view of Australia's prospects was still necessary, but fortunately monetary authorities did not intend to allow the recovery to overreach itself.

Who are the monetary authorities? They are the private banking institutions of this Commonwealth, to whom the Commonwealth Bank has to bend the knee.

Mr. North: Not all the authorities have approved of those tactics.

Mr. F. C. L. SMITH: There can be no question about the truth of the statement in that paragraph. The first effect of an adverse balance of trade is revealed in the excess of bank deposits over advances, and an increase in the ratio of reserves to deposits in the bank, the banks of course adopting a more stringent policy. Although our exports during the past 12 months have been so large in relation to our imports that probably we shall have sufficient to meet our overseas interest commitments, nevertheless that has not been the case in the several previous years. I have no doubt that the banks of this country are not unmindful of the fact that large sums of money will be leaving this country next year for payment of expenses of the tourists to the Coronation, and so, as the "Financial News" states, the monetary authorities in Australia do not intend the recovery to overreach itself. Because of this attitude of the monetary authorities we find that at the last meeting of the Loan Council the programme of works that was submitted by Commonwealth and States tentatively totalled

£28,000,000, but was reduced to £19,910,000. And that amount does not include the whole of the money that will be available. At the same time it indicates a very big reduction in the amount which the Premiers at that conference in the first place considered necessary for their requirements, as against the amount that in the final analysis they felt they could get. Our own State submitted a programme involving £2,750,000, but that amount was reduced to £2,250,000, or £500,000 less than the amount estimated by the Premier as being required. The share of that loan money of £19,910,000 which this State will receive will be £1,717,000, to which will be added £33,000 from the Commonwealth, which of course makes the total of £1,750,000. And it is expected that it will be further augmented by loan raising and loan repayments to bring it to £2,250,000. But any deficit occurring during this year will have to be met out of that sum. The Premier, on his return from the Loan Council meeting, said he thought the Government would be able to carry on on a basis comparable to the basis of the previous year. But since he made that statement there has been the unpleasant intrusion of the failure of the last loan to reach full subscription by £1,800,000 although that loan was floated at £3 17s. 6d. per cent. for a term of 15 years. Thus it was the highest rate offered since 1931. There is a distinct tendency for interest rates to harden. If 4 per cent. must be offered to ensure the success of the next loan I should not be surprised to see the Loan Council being called together for the purpose of revising the loan programme that has already been agreed to.

Mr. North: You mean by a reduction?

Mr. F. C. L. SMITH: Yes, that is if we have to pay 4 per cent. interest on the next loan in order to render that loan successful. Various reasons have been put forward why the last loan failed to achieve success. It is said that a June loan has invariably been unsuccessful. But if so, it is a wonder they should have put the loan on the market in June. Why not have waited till August, till after the end of the financial year, so as to make the loan more assured of success? There is another reason put forward with reference to the failure of that loan on this occasion. It comes from the National Bank circular for July, 1936. We have to remember that this National Bank circular, if it does not influence, it

guides investors and subscribers to the loans raised under the auspices of the Loan Council. This is what the National Bank circular says—

There is, however, another factor, and it is the reaction of the public to the continuance of large scale borrowing in conjunction with continuance of emergency taxes and swelling Governmental revenues. The reduction in unemployment among trade unionists from 29 per cent. in 1932 to 12.8 per cent. in the June quarter of the current year, indicates a great reduction in the need for relief measures and in the amount which should be expended on work, sustenance, etc., for the relief of unemployment. Taxes must be paid so long as they are imposed by the legislative bodies. But there is no obligation to subscribe to loans.

Those who are endeavouring to belabour this Government for the care they have exercised in connection with the financial policy should turn to what the banks think of the position, what the banks think of the unemployed situation and of the question of raising further loan money for the purpose of giving full-time work to those on part-time work and sustenance in this country. I only hope that members will be able to carry on this year on a basis comparable with that of last year. The part-time workers of this State have been better treated than have those in any other State of the Commonwealth. In New South Wales a single man receives 12s., a married man 20s. 6d., a married man with one child 25s. 8d. and a married man with two children 27s. 4d. In Western Australia a single man receives 30s., a married man 42s., a married man with one child 47s. 2d., with two children 53s. 8d., and three children 57s. 2d. I do not wish to weary the House by making comparisons between the various States; the figures are all to be found on page 115 of the Labour report.

Hon. C. G. Latham: When we made those comparisons you did not agree with us.

Mr. F. C. L. SMITH: Perhaps I was not here to agree with the hon. member.

Hon. C. G. Latham: Yes, you were.

Mr. F. C. L. SMITH: There is the position, as it exists to-day, and if it does not exist to-day it has not been altered to any material extent.

Mr. Hegney: The position in this State and Queensland is much better than that in any other State of the Commonwealth.

Mr. F. C. L. SMITH: I have a photograph here of a young man and a young

woman who were married on the 26th July of this year. They were married at a West-gate (N.S.W.) Carnival and it was part of a general entertainment. The young man had been unemployed for two years and the publication states that the marriage duly took place amidst a great crowd of people, 3,000 women and 25 men. The report states—"Consequent upon the wedding, Thomas Fiddler, the bridegroom, hopes to get a job." If he does not he knows that as a married man he is at least eligible for relief work at £1 1s. 6d. per week. That is in New South Wales where they have just introduced a new policy for the purpose of relieving the Budget. This policy consists of putting a lot of part-time workers on food relief and it is estimated that before long there will be 20,000 part-time workers back on food relief in that State.

Hon. C. G. Latham: They were much more successful in their last election than your Government were here.

Mr. F. C. L. SMITH: That may be so. I am not making these points for the purpose of advocating a continuance of part-time work.

Mr. Thorn: Of course you are.

Mr. F. C. L. SMITH: No, but for the purpose of trying to get people to realise the difference, and the advantages they have had under a Labour Government in Western Australia as compared with the conditions existing for part-time workers under National and Country Party Governments in the other States of the Commonwealth.

Mr. Hegney: And also in this State.

Mr. F. C. L. SMITH: I know that when the whole business was first introduced it was in extraordinary circumstances. At one time we carried out public works for the purpose of progressively developing the State to provide outlets that would bring actual population to the country nearer to its potential capacity, but owing to the difficulties under the depression all new works have been regarded as measures for the purpose of providing relief for those who require sustenance. When I came to this House I first spoke against part-time work and still I am not favourable to it either from the point of view of the men themselves or from the point of view of the State generally. On that occasion I quoted from a book called "The Growth of Nations" by W. Rose Smith

(a namesake of mine) who expressed my own opinions on part-time relief in a much better fashion than I could have done; and so I propose again to quote that writer. He says—

Naturally the man whose poverty and lack of bread are being exploited in the presumption that he will not work for ordinary rates of pay, will do his best to justify that opinion where he sees no likelihood of redress. The grudging dole of municipal charity is notoriously pauperising in its effects on the recipient, and if for no other reason, relief works should never be organised on an insufficient or charitable basis. The only possible relief lies in a full measure of employment at full pay, and for this purpose, as well as for the prevention of all real loss to the nation, the organisation must have a wider purpose than that of providing temporary relief works. It should deal with the whole field on unemployment.

And so it should. The whole field of employment in view of the widespread unemployment as it has existed in the Commonwealth during the past five or six years should have been dealt with by the Federal Government long ago. But the Federal Government have shelved their responsibility on to the States.

Mr. Hegney: And they have the financial resources.

Mr. F. C. L. SMITH: Yes. Here we have a picture of the unemployment obligations forced on to the States, and the States spending in the aggregate 30 millions for the purpose of trying to relieve it. The Commonwealth Government with their vast financial resources and their sources of taxation, have applied about £2,000,000 per annum for the purpose of relieving unemployment in the Federal territory over which they have jurisdiction. Some time ago I wrote an article in the "Daily News" on the question of unemployment. I refer to it because I have been grossly misrepresented in connection with it. It dealt with the record of periods which we regard as prosperous in comparison with the present that make the demand for full-time work for all, under existing conditions such a fatuous presumption. I wish to point out that on that occasion I used the word "presumption." It reminded me that a certain religious institution considers presumption to be a very grievous sin. That institution defined it as the foolish expectation of salvation without taking the necessary means of obtaining it; and a fatuous presumption is that kind of presumption adopted by the ostrich when it buries its head in the sand and

thinks that because it cannot see, its enemies cannot see it. So I pointed out in that article that full-time for all was a fatuous presumption. We can go for our authority to the report of the Development and Migration Commission on Unemployment and Business Stability issued in 1928. This is possibly the best authority available on the unemployment position up to that time. In that report we find statistics tabulated which show that at every point throughout the history of development within the Commonwealth there have been unemployed workers. Unemployment is a concomitant of the capitalistic system, and those who advocate "full-time work for all" are consciously or unconsciously advocating the overthrow of the capitalistic system because that system cannot function without a vast reserve of unemployed. It cannot function either without creating unemployment. As a matter of fact, the capitalistic system is the system which checks production, the system under which the worker finds no security in plenty. As a matter of fact he finds greater security in scarcity and in times of national contingencies, and as soon as he finds that plenty is being produced, and that the barns are getting full, when there are vast stocks of necessary commodities that we all require for our comfort and for our living, that is the time when he has most need to fear that he will soon be thrown on the industrial scrap heap, that his services are no longer required. In recent years he has got a new recognition under the capitalistic system. He will not be allowed to starve. He will be given a dole only sufficient to keep body and soul together. I was very pleased to note in the Lieut.-Governor's Speech that the mining industry has still further improved the employment position. The Speech shows that in that great industry 15,557 men are employed, an increase of 2,247 compared with the number employed in 1934-35. Along with that improvement in the employment position in the mining industry, there is an improvement regarding the shareholders and those who provide the capital to exploit the resources of that particular industry. Dividends paid last year totalled £1,124,918 compared with £991,275 during the previous year. The dividends paid during both 1934-35 and 1935-36 represented a vast improvement upon the position in 1927-28, when the dividends declared

amounted to £31,250. I desire to refer to tonnage production for a particular reason. Statistics show that during last year the tonnage produced was 1,109,810, and the gold recovered represented 649,049 fine ounces. According to the returns, that gold realised £5,702,149. I have worked it out and find that if it had been sold at the average price, the gold would have returned only £5,682,423. Members will see that the difference is an indication, in the amount that was received for the gold produced, that a considerable portion of it was sold above the average price of £8 15s. 6d. Then as to the grade, the average grade throughout was 6.8 dwts., which would return 58s. 6d., whereas actually it realised 59s. 8d. The President of the Chamber of Mines in Kalgoorlie, when addressing the annual meeting of that body, stated that the sum available for distribution from gross proceeds after dividends and return of capital had been provided for, was £4,577,231. I could not help noticing with regard to that amount, which is the sum left over after dividends are paid and from which all other payments have to be made, that if we divided the number of employees in the mining industry into that sum, it would represent in wages only £6 per week. But as we know about 50 per cent. of the costs in gold mining is attributable to wages, we realise that one-half only of the sum would be available for wages. Consequently, if the number of employees in the industry were divided into half the sum I have mentioned, it would represent a wage of £3 per man. The President of the Chamber of Mines stated that the use of machinery and improved methods did not contribute to increased tonnage raised and treated per employee. As a matter of fact, he said that the tonnage per man compared with the output per man ten years ago was largely the same, notwithstanding the improved tools in use. It must be realised that on that occasion he was indulging in an argument for the purpose of bolstering the idea of employing youths in the mining industry as improvers or apprentices, and was endeavouring to imply that there was a lot of work in the mining industry that did not require much skill or ability. Although it was to be inferred from his

remarks that there was considerable inexperience apparent amongst those who were at that time carrying out that particular class of work, it is remarkable that such inexperience did not prevent the mining companies some time ago from employing men of that class in a supervisory capacity. In fact, they had to be prevented from doing so by the issuing of amended mining regulations. When we inspect the records we find that these assertions of the President of the Chamber of Mines respecting tonnage raised are entirely wrong because they show that the tonnage raised and treated in the East Coolgardie district in 1925 was 381 tons per man employed underground, whereas in the same district in 1934 the tonnage raised and treated per man underground was 449 tons, showing an increase of 60 tons per man so employed. The tons of ore raised and treated throughout the whole of the State in 1925 were 314.95 per man employed underground, and 164.33 per man employed above and underground. The comparable figures for 1935 were: underground, 259.74 tons per man; above and underground, 133.87 ton per man. A reduction in the tonnage is indicated in the 1935 figures for the whole State, but the President of the Chamber of Mines was referring in his remarks to the large mines. The explanation of the details regarding production throughout the whole State is that in 1925 the majority of those engaged underground in the mining industry were producing tonnage for treatment, and others were engaged above ground dealing with various work required to cope with that tonnage. The position regarding employment in the goldmining industry has entirely changed. There are thousands of workers engaged in mining to-day upon constructional work on the surface and developmental work underground, and the result of their activities is not reflected in the figures regarding the tonnage of ore raised and treated. Those men add to the divisor without contributing to dividend and hence we get the smaller quotient. In the report of the Mines Department for the year 1934, there is the following paragraph, which seems to bear out my contention:—

The installation of new plant for the handling and treatment of ore is reflected in the increased tonnages of ore raised and treated per man employed underground in the East Mur-

chison and East Coolgardie goldfields, the tonnages rising from 596 to 699 in the East Murchison, and from 430 to 441 in the East Coolgardie goldfields, although the average tonnage per man employed above and underground decreased approximately 14 per cent., presumably owing to the number of men engaged in surface work erecting buildings and machinery, etc., upon properties which have not yet reached the producing stage.

The argument that the President of the Chamber of Mines was endeavouring to develop was not only in favour of the employment of improvers and apprentices but represented an attempt to indicate that the goldmining industry was not deriving technical advantage as the result of the use of new machinery and improved methods. There is much consistent opposition to the shorter working week, but much of the prediction of what would happen if the shorter working week were granted in the goldmining industry would not apply. We hear about the millions of tons of low-grade ore that might be worked if only the mining companies enjoyed longer working hours, and how quite a large proportion of that tonnage will be thrown out of the profitable zone if the shorter working week were established in the industry. As a matter of fact, if the reduced hours that are now being sought for work underground were granted, it is highly improbable the alteration would make a difference representing 10 per cent. of the total cost of producing and treating ore, and that 10 per cent. increase thrown out of the profitable zone represents ore that is only one-quarter of a dwt. less than that which can be profitably treated to-day. In other words, treatment costs to-day are about 20s. and the increased cost, if it amounted to 10 per cent., would bring that to 22s., which is equal to one-quarter of a dwt. in value, which is 2s. Personally I think the conditions in the goldmining industry, particularly underground, are such as to warrant the effort that is being made to secure shorter working hours underground. The President of the Chamber of Mines would like the men to wait until the shorter working week has been introduced in some other country so that the management might have the benefit of the experience gained, say, in France, Czechoslovakia or elsewhere. As a matter of fact, we have already had experience of the shorter working week in Australia, so that there is no necessity for us to wait. The shorter week has been operating successfully at Collie and also at

Broken Hill, under conditions that are entirely comparable with those existing in the goldmining industry.

*Sitting suspended from 6.15 to 7.30 p.m.*

Mr. F. C. L. SMITH: I was referring to the conditions that exist in the gold-mining industry, conditions that are inseparable from it, as most members know. From time to time attention has been drawn to those conditions, and all who have studied the records of the incidence of disease realise that it warrants a reduction of hours in the industry. That is a question which may be determined by the ore in the profitable zone if a shorter working week were granted. Gold occurs in such a way that no matter how bad the conditions might be, how long the hours the miners are compelled to work, or how low their wages, there will be a line beyond which it would not be possible to engage in profitable work. However, I do not wish to dwell on the incidence of disease this evening, but every member must have been appalled by the increase in the fatalities that have occurred in the industry during recent years. As I pointed out on a previous occasion, the percentage of fatalities has been fairly constant. It averages about three in every thousand men employed in the industry. Statistics show that fatalities occur with such regularity that it is possible to predict that of every thousand men now employed, three will meet with a fatal accident before the expiration of 12 months. The following figures are interesting:—

Year.	Men employed in the industry.	Fatalities.
1926 .. ..	4,488	7
1933 .. ..	9,900	21
1935 .. ..	14,708	28
1936 (six months)	16,000	24

Mr. Doney: In general, that works out at two per thousand instead of three.

Mr. F. C. L. SMITH: The report of the Mines Department shows that it is about three.

Mr. Marshall: I think it is 3.8.

Mr. F. C. L. SMITH: No, between two and three. The "West Australian" has directed attention to the statistics. Owing to the number of men now employed, the fatality rate will probably not be any greater proportionately for the 12 months of this year. The newspaper pointed out that in 1927 there was one fatality in every 270

workers; in 1932 one in every 498 workers; in 1933 one in every 470 workers; and in 1934 one in every 525 workers. What we want to discover is whether the number of fatalities occurring is greater than it should be. Reference to Victoria shows that the number of fatalities in the gold mining industry there is considerably less than the number here. A comparison is as follows:—

	Year.	Men employed in the industry.	Killed.	Injured.
Victoria .. ..	1911	14,015	19	65
Western Australia	1911	15,428	36	474
Victoria .. ..	1917	6,069	5	17
Western Australia	1917	8,752	21	701
Victoria .. ..	1919	3,065	4	9
Western Australia	1919	7,242	25	476

Those figures can be verified by reference to the "Commonwealth Year Book." It might be urged that the conditions in the two States are not comparable. The years which have been compared were not specially selected in order to back up an argument. In the year 1911 there was not a great difference in the number of men employed in the industry in the two States, but the number of fatalities here was almost twice as great as in Victoria. Quartz reefing, dredging and sluicing operations are carried on in Victoria but not dredging and sluicing in this State. Though a lot of gold has been won by those methods in Victoria, of a total yield of 543,700 ounces in Victoria in 1911, less than 82,000 ounces were won from dredging and sluicing. In that year two mines were working in Bendigo at depths of 4,614 feet and 4,318 feet respectively. At the close of 1911 there were no fewer than 53 shafts in the Bendigo district which had reached depths of over 2,000 feet. Thus it will be realised that the conditions in the two States in that year were fairly comparable. I dare say it is reasonable to assume that as the mines reach greater depths and the ore is more difficult to extract, the hazards will increase, but in Victoria in that year mining operations were carried on at a much greater depth than they are in this State even now. We have a system of recording the number of fatalities and working out the percentages in ratio to the number of men employed, but that does not appeal to me as an efficient method of compiling statistics for reference purposes. We want statistics that will admit of comparisons being made on a proper basis, and for that purpose we require to know how many accidents occur under-

ground. That is the most important aspect. I take it that the surface conditions on one of the large mines having a fair-sized milling plant would be comparable with the conditions in other industries having a fairly large aggregation of machinery. We want to ascertain what accidents are occurring amongst the underground men. While I know there are records in the Mines Report of the number of accidents underground, I do not think they bear any reference to the number of men working underground. If they do, they do not show the number of shifts working underground. What is required is a system that will admit of proper comparisons being made from year to year with other States and other countries, so that we might ascertain whether the fatality rate here is greater than that elsewhere. In this journal called "The Industrial Safety Survey" there is a record of the accidents in mines in Northern France in 1934. Whilst this refers to the coal mines there, the system of keeping statistics is much more advanced than is ours. They show the number of men employed, the number of fatalities, the number of men who are permanently incapacitated (I do not think we do that), the number of men temporarily incapacitated, and the number of accidents per 3,000,000 men shifts underground. It is recorded that the number of accidents per 3,000,000 men shifts underground was 5,374. The number of fatal cases was 13.3, the number of accidents at the surface was 820, and the number of fatal accidents, still per 3,000,000 men shifts, was so much, etc. That is the basis on which the statistics of fatalities and accidents in the goldmining industry should be kept in this State. If that basis were adopted here we would be able to make a reasonable reference from year to year, and would know the number of fatalities occurring for the number of shifts actually worked. That is the only proper basis upon which to get a true record of fatal accidents in the gold mining industry. There is only one other matter I desire to touch upon, and that is the Workers' Compensation Act, and the difficulty which apparently now prevails in the enforcing of its compulsory provisions. I trust the Government will attempt to do something this year, either by legalising the State Insurance Department or in some other manner bringing about a change under which the compulsory provisions of the Act

can be enforced. Owing to an alteration in the Mine Workers' Relief Act the compulsory provisions of the Workers' Compensation Act not only apply to those who are working in industry and who meet with ordinary accidents, but the provisions of the Act are also invoked in connection with the Mine Workers' Relief Act. Mining companies with very little capital have been working men in this State and have not had them insured. Two cases have come under my notice where men have been working in the industry for many years and have been engaged by one of these companies of straw. The men have not been insured, but whilst working in this employment have received notice under the Mine Workers' Relief Act that they are suffering from advanced silicosis. That notice gave the men the right to claim under the Workers' Compensation Act. The claim, however, was against the last employer under the Workers' Compensation Act, but as the last company was a company of straw the claim could not be enforced. A very serious position will arise if ever a man is served with a prohibition notice whilst working with one of these companies, because he will be prohibited from working in the industry and will not be able to maintain his claim for compensation as provided in the Mine Workers' Relief Act. The matter requires serious attention. Seeing that it was not a Labour Government which brought down the Mine Workers' Relief Act, but a Government composed of members opposite, and that certain provisions under the Act were invoked to make the Mine Workers' Relief Act operative, we should at least have their support in legalising the State Insurance Office so that the compulsory provisions of the section concerned may be enforced.

Mr. Warner: Is it not a matter of policing the Act?

Mr. F. C. L. SMITH: It is more than that. When the Workers' Compensation Act was amended in 1924, it provided for increased compensation for accidents, an increased rate of weekly compensation as well as increases in the compensation for fatal accidents, and also an increase in the medical and hospital allowances. The Government of the day had some difficulty in coming to some arrangement with insurance companies to quote for risks under the second schedule of the Workers' Compensation Act. Later on they intended to proclaim the third schedule, but found that none of the com-

panies in the State was prepared to quote. The Government appointed a special committee composed of the Government Statistician and other gentlemen to inquire into the probable risks involved in the third schedule of compensation. That committee made a recommendation, but no insurance company was prepared to take the risks under that heading. The Government of the day then established a State Insurance Department, and withdrew their approval from the insurance companies because they would not quote for the risks involved under the Act. That, so far as I know, is still the position. There are no approved insurance companies under the Act, and none is yet prepared to take the third schedule risks. In consequence of the State Insurance Department being established in contravention, I understand, of some provision of the State Trading Concerns Act, that office is now functioning illegally. All members realise the desirability of continuing the operations of that office. It is very desirable that not only should these operations be continued and legalised, but that the office should be given a monopoly of workers' compensation insurance. I trust the Government will do something early this session to provide a solution of the difficulty. In a final word I wish to support the plea that has been put up by the member for Kalgoorlie (Mr Styants) for the eradication on the goldfields of the Bathurst burr. Those who are interested in sheep know that if this burr once gets a good footing in the State it will not be long before it has spread all over it. I understand that sheep coming by sea are thoroughly examined to see if there is Bathurst burr in their wool, and if it is found the sheep must be shorn before they can be taken away. Sheep that are overlanded by the Great Western railway have not to be treated in that way, and consequently the Bathurst burr is growing quickly in and around Kalgoorlie.

Hon. P. D. Ferguson: What is the Agricultural Department doing?

Mr. Marshall: What were you doing when you were Minister?

Mr. F. C. L. SMITH: That is what I want to know.

The Minister for Lands: We have had the Bathurst burr for 20 years.

Mr. F. C. L. SMITH: It is not a pest that can be regarded lightly, and will not be regarded lightly by those interested in the pastoral industry. It has spread so exten-

sively over the district under the jurisdiction of the Kalgoorlie Road Board that the local authority cannot cope with it out of the revenue received from rates. I appeal to the Minister to see if he cannot make money available at an early date for the eradication of this pest before it begins to go to seed. It requires a certain amount of rain to cause it to grow, and it does best in swampy or low-lying areas. It is desirable that early action should be taken.

Hon. C. G. Latham: It will grow anywhere in a hot climate. You will find any amount of it around the Kalgoorlie racecourse.

Mr. F. C. L. SMITH: The racecourse is low-lying and has a great depth of soil. That part of the country is probably better watered than any other part of Kalgoorlie, because the water falls in that direction. There are other affected parts towards the Kanowna line where the road board have jurisdiction over a wide territory from which very little in the way of rates is obtained. Dairymen as well as sheep men are very concerned about the manner in which this pest is spreading. I hope the Minister will endeavour to secure a sum of money so that men may be employed to eradicate the pest in the goldfields areas.

MR. WARNER (Mt. Marshall) [7.58]: First let me congratulate you, Sir, upon your return to the honoured seat of Speaker of the House. I say this as from one "digger" to another. I was very pleased to see you in that position last session, and to see your smiling face again. It has been suggested that you are not going to have as rosy a time as you have had before, but I assure you that you will have the respect of every member of this House if you uphold the dignity of the office as you have always done before. It is necessary to bring before the House some of the problems which have faced my district during the past year. The major portion of the drought from which the State has suffered occurred in my electorate, and the remainder of it was noticeable in the Coolgardie, Yilgarn and Albany districts. The position became acute. Numerous requests were put forward, and the assistance given in response to them needs ventilating. I do not wish to criticise the Government, but I desire to state the facts as I see them. Last year some



of the settlers in the Mt. Marshall electorate got no return at all for their work. There was no harvest. Still, they had to expend the same amount of money to put in the crop which did not materialise, as would have served to produce a five or six-bag average. Then the settlers were compelled to call upon the Government for help. That was in August of last year, when they were fighting to obtain sufficient food to keep themselves and their families on the farms in the hope that an unforeseen downpour might give them a bit of harvest. Unfortunately, they found themselves left without anything whatever. The State Government did come to their assistance in a sort of way. Sufficient food was granted to the farmers to enable them just to live on their holdings. I believe, however, that most of that money came from the Federal Government in the form of a grant. Later I shall ask what money came from the State Government by way of doing their part in helping the settlers to remain on their lands. The Federal money, if distributed on an acreage basis, should have amounted to about 3s. 3d. per acre. However, under arrangements made, I believe, by the State Government with the Federal Government, the payment amounted to about 1s. 10½d. per acre, the balance being retained to be doled out as sustenance to the farmers. It comes to this, that one section of the wheatgrowers had that amount of money taken from them to help their brothers who had got no crop at all. Not only did the Agricultural Bank, who I understand administered the fund, take that course, but in paying out to the wheat-grower who had no crop whatever they deducted ten per cent from his acreage basis on the supposition that he would have cut that area for hay had the crop materialised. Some of those farmers, however, cut no wheat for hay, but put in oat crops. Cases have been made known to me where a settler has never cut 40 acres for hay, but has had 40 acres of oats. The farmer had no crop whatever, yet in connection with the Federal grant the bank deducted 10 per cent. of what his wheat crop would have yielded had it materialised at all. That is utterly wrong. Possibly the Minister for Lands will explain the position, so that I may convey to the people I represent the

fact that everything is reasonable in the Minister's eyes. The Agricultural Bank were left to pay out the money, and I must say that I do not at all agree with the bank's methods. They paid out on an acreage basis, subject to the reduction I have stated; and then they handed out amounts they believed to be adequate—£6 per month for a married man with family, and £4 per month for a single man. Out of these amounts the settlers had to buy anything required for use on the farm—rabbit poison, spare parts, and all other necessities. The magnificent sums I have mentioned were supposed to keep the farmers at work to put in and take off another crop. In many cases those settlers had not reaped a bushel of wheat off their entire holdings. Indeed, over a large portion of the district the average yield was not more than 1½ bushels per acre. The farmers are growing old. After five years of depression, with no prices for their products, and with machinery which they cannot keep in proper order, they are still considered by the Agricultural Bank Commissioners to be capable of putting in another crop, and this with worn-out plant and with no extra grant for spare parts. They have no hope of doing any fallowing, which we know to be necessary. They have not the plant to do fallowing with; neither have they the horse strength, or even the feed required to keep horses in working condition. The amounts granted are totally inadequate, and I consider the Minister for Lands should have used persuasion with the Agricultural Bank Commissioners to accord better treatment to those settlers in the north-eastern district—men of the first quality as pioneers, and a credit to Western Australia for the way in which they have stood up to their troubles. However, these things cannot go on indefinitely. The settlers are getting tired of seeing their wives and children without sufficient food of good quality, and without any comforts whatever. It is possible that crops will materialise there this year, but in that event I fear the Agricultural Bank Commissioners will come down with statutory liens and take all the proceeds, eventually to dribble back part of them by way of sustenance as at present. Not only is there the fear that proceeds will be taken under Section 51, but there is also a dread that inferior chaff will be sent to the district once more. I would like the Minister for Lands to explain that matter, so that I can convey to the

settlers whether it is the hon. gentleman's intention now to collect the money booked up against them for chaff plus freight, which latter item greatly helps the Railway Department. Is it intended to make those demands on this year's crop proceeds if a crop is obtained?

The Minister for Lands: Inferior chaff purchased from other farmers!

Mr. WARNER: I do not know from whom the chaff was purchased. I do not think it would be purchased by the Minister for his farm, as he is a practical farmer. I ask the Minister not to laugh at these things, but to listen to them seriously. I trust he will give me some satisfaction in response to the representations I am making. Again, large quantities of water were railed into the north-eastern district from Goomalling and elsewhere. It was said that the Government did not charge for the water.

The Minister for Lands: Bad water too?

Mr. WARNER: The water was all right. The Minister said he was giving it to the settlers, but it was not freight free. If the Government continue to use the Agricultural Bank as at present, the farmer will have all his proceeds taken from him, and then, as I have said, a little will be dribbled back to enable him to grow more crops. I desire to point out to the Minister for Agriculture that a grasshopper plague broke out in my district last year, constituting another trouble and another source of loss for the farming community.

Mr. Marshall: Were the grasshoppers good quality?

Mr. WARNER: Excellent quality. The hon. member's district will know about that in a week or two, unless something is done. In order to hold the pest back in the early stages, the Agricultural Department supplied poison; but the farmer had to supply the petrol for spraying. Seeing that this can be done only in low gear, the expense involved was considerable. This year those settlers will be unable to supply any petrol out of their allowances of £6 and £4 per month. I hope the Government will not expect farmers to use their own petrol at the cost of food for their wives and children. I could touch on many other items, but I do not wish to detain the House. I shall let those matters go for the present, as at

a later stage I shall have another opportunity of dealing with them. I do trust that the questions I have submitted to the Minister for Lands and the Minister for Agriculture will receive attention. I hope Ministers will do their best to ensure that more reasonable treatment is accorded to the settlers. I have given the Minister for Lands an opportunity of showing that the State has done a great deal apart from what the Federal Government provided. I hope the hon. gentleman will explain how the money has been expended. I refer again to the chaff for which payment will be collected by the Government or by the Agricultural Bank, and to the railway freight on water transported to the district.

MR. RODOREDA (Roebourne) [8.15]: As, no doubt, many members will be dealing with matters of State-wide and world-wide importance, I am going to confine my remarks to a few items of importance merely to the North-West of this State, principally the shipping facilities and the road transport. Last evening, when on the Supply Bill, the Leader of the Opposition attacked the Government for their unauthorised expenditure of public money. The hon. member expressed great concern at this practice of the Government's; but of course he knows well that it has been the custom for years and will be the custom for many years to come.

Mr. Doney: Only when justified by unusual urgency.

Mr. RODOREDA: The hon. member has taken the words out of my mouth. How on earth could any Government carry on unless they had the right unauthorised to expend money when emergency arose? But whatever slight justification the Leader of the Opposition might have had for his complaint, he was distinctly unfortunate in picking on the purchase of a new State steamer. I can assure him his remarks will not meet with the general approval of the people of the North-West, and that they will remember those remarks when there is another election up there. So I do not think either the Nationalist Party or the Country Party will be able to steal our thunder at the next election in the North.

position is entirely wrong in trying to mis-

Mr. Thorn: I thought you were going to say you did not think it would be long before that election.

Mr. RODOREDA: It does not interest me very much what you may think. Beside his remarks dealing with the provision of the new steamer, there were so many other inaccuracies in the statements made by the Leader of the Opposition that I should be failing in my duty if I allowed them to pass without contradiction. First of all, he said there was no great hurry for the provision of this steamer, and then he said that about half the passengers from the North came down by motor car.

Hon. C. G. Latham: And by air.

Mr. RODOREDA: Even if you combine both road traffic and air traffic, the statement is still quite nonsensical.

Hon. C. G. Latham: I notice the Minister does not use the State steamers very much when he goes up North.

Mr. RODOREDA: I am not concerned with the Minister's mode of travel.

Hon. C. G. Latham: I know there is a lot of traffic over the roads.

Mr. RODOREDA: This matter of getting accommodation for passengers occupied my attention during the early months of this year practically to the exclusion of everything else. The member for Kimberley (Mr. Coverley) and I have been on four deputations composed of passengers from the North-West who were stranded in Perth and could not possibly get back North, either by plane or by steamer.

Hon. C. G. Latham: The member for Swan (Mr. Sampson) was able to make arrangements for his own accommodation.

Mr. RODOREDA: But he went up with the vice-regal party, and that was in the slack period.

Hon. C. G. Latham: You ought to go up when the meat works employees go.

Mr. Fox: But they go steerage.

Hon. C. G. Latham: They do not; they go as first-class passengers.

Mr. RODOREDA: When I was up there electioneering, the same position obtained; people coming in from the back country had to wait weeks in their nearest port before getting accommodation on a boat leaving for the South. The manager of the State steamers knows that this is the position, and so too does the Minister controlling the service. We have had innumerable deputations, and numberless requests have been

sent down by people incommoded for want of passenger facilities.

Hon. C. G. Latham: Was that last year?

Mr. RODOREDA: Yes, and this year too. That position will prevail until another steamer is put on to replace the "Minderoo," which was wrecked at Port Hedland.

Hon. C. G. Latham: But you knew that another ship was to be put on before the Government ordered a new State steamer.

Mr. RODOREDA: But we do not advocate "black" steamers; we want a new steamer with a white crew.

Hon. C. G. Latham: Such as they have at Broome.

Mr. RODOREDA: There is no room for the complaint of the Leader of the Opposition about the purchase of a new steamer, for the Premier in each of the last three years has promised that as soon as money was available he would provide an additional steamer for the coast. The Leader of the Opposition was perfectly well aware of that.

Hon. C. G. Latham: I did not know it; I did not know that they had asked for authority at any time.

Mr. RODOREDA: In any case, it is only carrying out the Government's policy, and so they were perfectly in order in anticipating the approval of Parliament in going on with the provision of this essential steamer on the coast. The Leader of the Opposition also said that the regular boat had been replaced. Actually the regular boat has not been replaced.

Hon. C. G. Latham: Is there not a boat called the "Kitchener"?

Mr. RODOREDA: There is a boat called the "Kepong," which in part replaced the "Minderoo." But she has neither passenger accommodation nor accommodation for perishable freezer cargo, and I doubt whether she has called at coastal ports on half a dozen occasions.

Hon. C. G. Latham: You knew it was impossible for the Government to buy a ship capable of carrying on that trade.

The Minister for Agriculture: There are 20 ships available.

Hon. C. G. Latham: I understood it was impossible to get one.

Mr. RODOREDA: Whether or not a ship was available, the "Minderoo" has not really been replaced, and will not be replaced until Dalgety & Co. get their new boat out here at the end of the year. So on those points alone I contend that the Leader of the Op-

lead the House, and I commend the Government for their activity in this regard. It was certainly long delayed, but at the first opportunity the Government carried out their promise, for which I commend them. Following on my commendation of the Government, I now have a complaint to lay against them regarding shipping facilities on the coast. As I have pointed out, they are totally inadequate. There has been a big agitation throughout the North-West, particularly during the last six months, regarding the inadequacy of shipping facilities, and I am surprised that the clamour has not been more insistent. Broadly, the position is that the State Shipping Department admit that they cannot give a more adequate service with the plant at their disposal, and approval has been given to the opposition line of steamers for permits for a certain number of trips to serve the coast when no State vessel is running. That did not cater for passengers or cargo, and to overcome the difficulty, special permits were issued to boats to make special trips. That is right enough in its way, but when an insistent clamour arose for a special trip owing to a shortage of supplies, a permit was issued too late to be of any practical service to the merchants and others on the coast. Probably the boat would be sailing in three days after the permit was issued, and consequently very few people could take advantage of it. I have been endeavouring to persuade the Minister in charge of shipping to give a free permit to those boats whenever desired so that they could serve the coastal ports, the permit to operate only until the State Shipping service was in a position to supply the needs of the North-West coast with its own boat. I do not think that is asking too much. The State Shipping Department admits it cannot provide the service, and yet the Government adopt a dog-in-the-manger policy in that they will not allow the opposition line, who can and are willing to supply the service, to do so. I made this plea in the House last session. As a Labour member I do not like to have to do it. It is against the principles of the Party, but so also is the granting of even one permit to those boats. If the Government can do it in one instance, surely the granting of a permit for about 18 months would not make much difference! It is easy for a person to uphold his principles if somebody else is suffering. The principles

of the Party are being upheld in Perth to the inconvenience and detriment of residents of the North-West. I trust that this matter will be given further consideration. I hold no brief for the boats employing black labour. The sooner they are off the coast the better, and I will hail with delight the arrival of the new State vessel so that the State will be in a position adequately to serve the whole of the North-West with its own vessel. Another question arises regarding transport in the North-West, and that is the provision of adequate roads. I have discussed the matter of what can be done with the North-West with everyone who has any knowledge of or interest in the matter. Everyone says, "What are you going to do with the North-West? How are you going to develop it?" Frankly I have not the faintest idea of what we are going to do with it: nor has anyone else with whom I have discussed the matter any practical proposition to put forward. Apparently the pastoral industry is the only one that will survive under existing conditions, so far as we know. There is a vast wealth of mineral resources to be exploited. It may not be in our time, it may not be this century or next century, but eventually those resources will be exploited. So far as I can see, all that we can do to develop the North-West is, so far as our resources will permit, to provide reasonably good roads to open up the country and for general transport. It is almost impossible to get about the country there during the wet weather, and the approaches to most of the ports from the hinterland are practically impassable for months at a time. A worth-while proposition that presents itself—and I commend it to the Government for investigation—is the provision of a first-class road heading north from Meekatharra towards Marble Bar and thence to the coast; also feeder roads from that road to the ports. It is a work of national importance. Practically the whole of that main road would run through auriferous, metalliferous, sheep and cattle country. The transport of cattle from those huge areas about Roy Hill and the surrounding district is becoming a major problem.

Mr. Marshall: Side by side with good roads there, a great asset would be water supplies.

Mr. RODOREDÀ: Cattle can be handled by motor transport. Given good roads, there is no difficulty at all in travelling stock 300 or 400 miles in 24 hours. The

proposition has been attempted during the last few years on the ordinary bush roads with a fair amount of success, just enough to show what could be done if a really good road were provided. The Government, I presume, are looking for works on which the bulk of the money can be expended on labour. I commend this proposition to their serious consideration. I have been informed that a sum of £10,000 is being made available to start the work. That is not nearly enough. It was stated in the Press the other day that about £28,000 had been voted for roads in the North-West. Quite a rumpus was kicked up in certain directions at the expenditure of such a large amount. Why, ten times that amount would not be anywhere near sufficient to meet present requirements. On analysing that amount, we find that roughly the average per road board is £2,000, and as some of the road boards have 2,500 miles of road to look after, it works out at less than £1 per mile of road. Consequently, when we get down to an analysis of the position, the amount is practically negligible. Let me now make a few remarks about the incidence of the financial emergency tax. I am of opinion that this taxation or a similar form of taxation must be continued. If we are going to balance the budget and provide all the work possible for the unemployed, there is no question that taxation cannot be lessened. If it is the insistent demand of this House that full-time work be provided for all men, then there is no other conclusion to be arrived at than that taxation must be increased.

Mr. Raphael: Quite right.

Mr. RODOREDA: To balance the budget and provide more money for the unemployed will unquestionably mean increased taxation. People insistently demand that full-time work shall be provided for all men, but do not tell us how that is to be done. The financial emergency tax in its present form seems to be unfair in its incidence. Two men on a similar salary, one with a family and the other without, both pay the same amount of taxation. All taxation is inequitable in its incidence, but we could surely devise some means whereby this particular tax should not be so grossly inequitable. As we know, in the Income Tax Act we make provision for allowances for men

with obligations. We do the same thing when providing the relief worker with occupations. We give more work and more money to men according to their family obligations than we do in other cases. In the case of the financial emergency tax, once we come within its scope we are all on the same mark. I hope the Government will have some proposals to bring forward whereby the incidence of the tax will be more equitable.

On motion by Mr. Watts, debate adjourned.

### BILL—SUPPLY (No. 1), £2,200,000.

Returned from the Council without amendment.

*House adjourned at 8.38 p.m.*

## Legislative Council.

*Thursday, 13th August, 1936.*

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

### QUESTION—EDUCATION.

*Perth Girls' School.*

Hon. H. V. PIESSE asked the Chief Secretary: In connection with the building of the Perth Girls' School, what was the total cost of—(a) building; (b) furniture?

The CHIEF SECRETARY replied: (a) £73,607; (b) (i) Expenditure, £1,682, (ii) Liabilities, £3,134, Total £4,816.