

and to do their best to administer it in accordance with its provisions. I congratulate them on their good work. In their administration they have experienced difficulties, and it is only right to rectify the anomalies and give them an opportunity to administer the Act as they believe it should be administered in the interests not only of the men but of the State. I move—

That the Bill be now read a second time.

On motion of Mr. Stubbs, debate adjourned.

## BILL—LAND.

*Referred to Select Committee.*

**THE MINISTER FOR WORKS** (Hon. A. McCallum—South Fremantle) [5.43]: I move—

That the Bill be referred to a select committee consisting of five members.

Question put and passed.

Ballot taken and a select committee appointed consisting of Messrs. Hawke, Latham, McDonald, Troy, and Withers with power to sit on days when the House stands adjourned, and to report on the 14th September.

*House adjourned at 5.54 p.m.*

## Legislative Council,

*Tuesday, 29th August, 1933.*

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

## MINISTERIAL STATEMENT—SUPPLY BILL (No. 1).

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central) [+35]: When the Supply Bill was under discussion, certain information was sought by members, and I promised that after consultation with the different departments concerned, I would make a statement to the House. I have now the necessary information, and I desire, with your permission, Mr. President, to place it before members.

The PRESIDENT: The Minister may proceed.

The CHIEF SECRETARY: During the second reading debate, Mr. Hamersley drew attention to the financial hardship experienced by many country road boards. The Minister in charge advises me that this condition of affairs has been duly noted, and it is hoped that the Government may be able to help them in a practical way. The previous Government endeavoured to alleviate the position and, as a result, road boards have been allowed to retain, without deduction, all traffic license fees collected by them as licensing authorities. Previously such collections were liable to deductions amounting in some cases to 22½ per cent. Instances have occurred wherein the revenue from this source has exceeded the ordinary revenue received by the board from rates, etc. Mr. Hamersley also hoped that the Government would not put any obstacle in the way of the provision of the bulk handling scheme. The hon. member will no doubt have seen the Press announcement stating that the Government have appointed a strong advisory committee to report on the effect of the present partial bulk handling scheme now in operation. A report has been received from this committee and the matter is under consideration by the Government. A Press announcement from the Premier appeared in the "West Australian" of Friday last.

Mr. Mann was anxious to know what action is being taken in regard to rebuilding Cave House. The Minister in control is now giving earnest attention to the rebuilding of the destroyed portion, and proposes to approach the Treasurer in reference to this matter within the next week or so. Mr. Mann's suggestion in reference to the Collie-Dardanup railway line was referred to the Minister for Railways who states that the question of utilising Millars' old line for the

purpose was exhaustively inquired into some years ago. An estimate, made in 1911, of the cost of constructing the line from Collie to Dardanup, with 60 lb. rails and with a ruling grade of one in 80, placed the amount required at £100,000. The provision of this alternative route, with considerably improved grades as compared with the Collie-Brunswick line, has certain attractions from the point of view of economical working, such as heavier loads and quicker transit, but the capital outlay would be very heavy, and the savings would require to be very large to meet interest and operating costs. A more attractive proposition would be the linking up of Collie, Cardiff and Mumballup, on the Donnybrook-Preston Valley line. This would entail the construction of 12 miles of railroad and would give much easier grades for the haulage of freight to Bunbury. The length of the existing line, which belongs to Millars, from Dardanup to Wellington Mills, is approximately 13 miles and there is a fair amount of settlement adjacent. The purchase of this line would not appreciably increase the railway revenue, certainly not by sufficient to pay the cost of working and to provide interest on the capital outlay. It is questionable, therefore, if the present financial position of the State would justify the expenditure. Mr. Mann also referred to accommodation being prepared for the staff dealing with employment. He appeared to regard it as unnecessary expenditure. The Government have more faith in their policy and in the ability of those who are rendering assistance in an honorary capacity than to believe that the creation of a permanent or costly department is necessary. The Minister for Employment finds it imperative to be near his executive officers and to afford housing accommodation for those who are giving their time and thought to assisting the Government. For that purpose, accommodation is being provided in the premises to be vacated by the Tourist Bureau in Barrack-street.

Mr. Macfarlane drew attention to the fact that the Perth Power House was working up to the full capacity of its generators, and wished to know what would happen in the event of a breakdown of the plant. The Minister in control assures me that the provision of an additional generator and boiler equipment is under consideration, and states that though a breakdown, such as was mentioned, might cause a certain amount of inconvenience to the public, the effect would

by no means be so serious as was indicated by Mr. Macfarlane. The Government are endeavouring to make financial provision for the proposed extensions. If the latter could now be approved of, it is anticipated that the department would be able to supply reasonable requirements until such time as the additions had been completed. Mr. Macfarlane questioned the effect of the proposed new sustenance rates and compared them with the rates paid by the previous Government. It is the policy of this Government to depart from the standard of employment based on sustenance, as adopted and enforced by the previous Government. The result is that the Government are to-day facing the position of providing employment for at least 14,000 men. The Government consider that sustenance employment is too inadequate to be regarded as a fulfilment of their obligation to the unemployed and have initiated a policy by which they will endeavour to get more men back to full time work and to pay real wages. Experience has proved that the sustenance system of work has little beneficial result, and no claim for continuance. Although the Government have committed themselves to the principle of employing men on a full time basis, to be followed by a period of sustenance, they are not bound to enforce the stated period of sustenance. Four weeks' work is the absolute minimum, and in the case of a variation in the basic wage, a longer period of full time work is provided for, and as the plan develops, it is the intention of the Government to increase the periods of full time work. The accumulating effect of lengthening periods of full time work will create the desired result of real wages by restoring the purchasing power of the workers, increasing the amount of money in circulation, and consequently providing further employment for persons engaged in the production of goods, which the restored purchasing power will make necessary. In addition to the circulation of money by means of real wages, and other expenditure on Government works, the Government have embarked on a vigorous local products campaign and the vital importance of this campaign has been readily recognised by the people of this State to be an effective means of helping to reduce trade depression and unemployment. The formation of an Economic Council is another vital step, which it is hoped will help considerably in solving the problem of re-establishment of men in

industry and by the provision of new avenues of employment. The comparative figures submitted by Mr. Macfarlane are not a true index of the Mitchell scheme and the scheme initiated by this Government. He has not taken into account marginal differences nor camping allowances. Under this provision the worker receives better treatment than was provided by the previous Government. I will read a comparison of the rates, as follows:—

COMPARISON OF RATES.					Collier Scheme.		Mitchell Scheme.	
Man and Wife	Children	£ s. d.	On.	Off.	£	s. d.	£	s. d.
					10	17	18	14
Man and Wife	1 child	3 14 9	4	6	21	5	29	10
"	2 children	3 14 9	4	5	21	19	21	12
"	3 "	3 14 9	4	4	21	19	22	0
"	4 "	3 14 9	4	3	21	5	21	0
"	5 "	3 14 9	4	3	21	6	21	0

Mr. Macfarlane is apparently under the impression that men were employed the whole year round and were therefore drawing £1 a week above sustenance under the Mitchell scheme. In general practice it was not so. After a certain period of employment men were stood down to eke out their earnings at a set rate and then returned to sustenance until further work could be secured, so that at no time was any margin provided to enable the worker to secure anything beyond the bare necessities of life. In some instances married men with families did not secure any relief work and thus they have never been above the sustenance level. Under the previous Government's scheme a man with a wife would have received 14s. per week as sustenance or £38 6s. per year, whereas under the present Government's scheme, which provides for rotation of full time work and sustenance, he would receive in wages £70 13s. 5d., inclusive of

marginal and camp allowances, and in sustenance £23 3s. 3d., making a total of £93 16s. 8d. for the year. A man with a wife and one child under the previous scheme would have received in sustenance £54 12s. during the year. Under our scheme he would receive in wages £77 14s. 9d. and in sustenance of £32 15s. 2d., a total of £110 9s. 11d. for the year. Men with larger families will be treated on a relatively similar basis.

Criticism of the Government's policy of full time work, followed by sustenance is based largely upon misunderstandings and failure to realise that the accumulating effect of its programme of works will relieve any possible anomalies. I have the assurance of the Minister for Employment that any hardship apparent in the initial stages of the scheme will be rectified. The scheme is an instalment of the Government plan to get men back to work.

Mr. Macfarlane also referred to the Canning Reservoir. The proposal to continue the work of constructing the Canning dam in connection with the Metropolitan Water Supply is receiving consideration by the Government. Preliminary investigations are well in hand. The Minister in charge expects within the next week or two, to be able to make an important pronouncement as to the future programme to be carried out. He desires to assure the hon. member that the proposals submitted by Mr. W. H. Shields are receiving due consideration by the responsible engineers.

Mr. Holmes asked for information concerning the appointment of a fully qualified stock inspector for the North West and also about the appointment of a tropical adviser. The Minister for Agriculture advises me that the department have already stationed a fully qualified veterinary surgeon and a fully qualified stock inspector in the North West, with headquarters at Derby, and that the appointment of a tropical adviser is receiving earnest consideration.

Regarding the hon. member's criticism of the cost of transport of flour to the North-West, the rate of wharfage quoted is correct, and it is only a small proportion of the £13 mentioned by Mr. Holmes as being the cost of transport of a ton of flour from Fremantle to a station 100 miles from the port of Wyndham. We have no control over the cost of transport from Wyndham to the station, which is said to be very heavy, and

perhaps that is where criticism should be directed. Flour is carried by the State ships at a special rate which hardly remunerates for the space given it. The war surtax question comes up periodically for consideration. It was last dealt with in October, 1931, when the Government said that it represented the difference between the then existing rate and the pre-war rate. However, even now the Government are not in a position to abolish the war surtax.

Mr. Holmes also referred at length to certain matters regarding the election arrangements at Carnarvon during the recent elections. The Minister for Justice informs me that this matter has already been brought to his notice and an inquiry is proceeding. Mr. Holmes referred to the necessity for camping reserves on stock routes being gazetted as Class A reserves. The Minister for Lands stated that there was no departmental objection to this procedure, and whilst each case must be considered on its merits, as far as possible, the desire will be put into effect and action will be taken in that direction.

The hon. member also advocated that Crown lands adjacent to railways should be cleared by contract, that owners of alienated land should be told to clear and cultivate such land, and that in the event of failure to comply with such an order, the Government put the Closer Settlement Act into force. The Minister states in reply that such action depends on the possibility of securing settlers who are able to develop Crown Lands at their own expense and will at the same time be in a position to meet their obligations to the Crown. Last year, there were arrears of rents owing to the Lands Department to the extent of £366,000. This amount includes arrears owing on repurchased estates, and apart from this factor, the experience of the department in respect to clearing land at Newdegate in advance of settlement was very costly, and the expenditure could not be recovered. Regarding alienated lands the hon. member will recognise that those engaged in agriculture generally are being hard pressed at present, and it would be inadvisable to put into operation any proposal that would add to their burdens. If such a scheme were inaugurated and the holders of the land were unable to participate in it, and as a consequence the Closer Settlement Act were brought into operation, they would either

have to subdivide or sell their land within a certain time or the Crown would have to pay for it. On account of the financial situation, either of these contingencies is out of the question for the present; the time is not opportune.

Land is alienated by the Crown on very liberal conditions as to improvements—this being the law—but the experience of the Lands Department proves that the conditions are more than complied with. A close watch is kept on such matters, both by inspection and correspondence, and generally speaking there is little cause for the suggestion that land is being held without compliance with the conditions. It is evident that there is room for further development of lands within reach of the existing railway system, but the financial situation is too difficult to inaugurate any such scheme at present. The question concerning pastoral leases is receiving consideration by Cabinet.

Mr. Harris desired some information in connection with mining reservations. There has been some criticism regarding mining reservations, but most of those in existence were approved previous to our taking office. The Minister for Mines assures me that applications for temporary reserves of this nature are subject to the approval of the Minister for the time being and are terminable at any time at his discretion. They are subject also to approval by the Governor-in-Council. Section 297 of the Mining Act, 1904, provides the machinery for temporary reserves, and the very fact that Parliament thought fit to include such a provision is evidence that, when the Act was framed, it was recognised that the position might arise where such a reserve for the purpose of permitting organisers of financial support to examine large areas before recommending their principals to put up the necessary money, would be a necessity.

Before any such reserve is granted every condition is taken into consideration. If it be ground that can be profitably worked by prospectors or small leaseholders, there is no inducement to grant a reserve. If it be ground that has not been known to give gold returns and a group of financiers are willing to undertake legitimate search for gold, there is an inducement to grant such a reserve. Old ground that has been worked and abandoned at water level and old ground

that has been discovered too poor in value to give sufficient profit unless worked with large and up-to-date machinery are fit propositions for reserves for those who can raise big capital sums.

I suppose it is only natural that while ground may lie idle for years and no attempt made to take it up or work it, immediately some persons secure a temporary reserve, there is a cry that the prospector is being shut out. Discretion must be left to the Minister and to Cabinet to exercise power in the granting of reservations, and I think every Government has the interest of gold mining too much at heart to make a close preserve of any land that would be likely to yield a living to a prospector or small leaseholder. It is hardly supportable, however, that the Government should allow land to remain idle if there is a reasonable prospect of someone taking it up with a view to exploiting its possibilities.

As to the Western Mining Corporation's reserves, with the exception of that at Nevoria, there is every inducement for prospectors to go to work as, should they discover anything likely, they are sure of a prospective purchaser and have not to spend time and money in trying to float their show. Details of mining concessions are—

#### MINING CONCESSIONS.

##### GRANTED BY PREVIOUS GOVERNMENTS.

1929	...	...	...	1,200 acres
1930	...	...	...	2,450 "
1931	...	...	...	8,809 "
1932	...	...	...	12,600 "
1932	...	...	...	316 sq. miles
1932	...	...	...	All the river area of Gascoyne, Ashburton and Fortescue Rivers

##### GRANTED BY PRESENT GOVERNMENT.

1933	Western Mining Corporation	11,380 acres
1933	Do. do. ...	1,432 sq. miles

These areas were granted by the present Government in order to honour agreements already entered into by the previous Government.

1933	...	...	...	14,953 acres
1933	...	...	...	All the river area of De Grey and Yulle Rivers

Mr. C. H. Wittenoom was anxious to know if anything is to be done to improve the jetties and wharves at Albany. The Minister for Public Works informs me that there are no works of major importance at the Albany harbour requiring attention under present conditions. It is to be hoped

that, with additional development of the hinterland, particularly westward of Denmark, it will not be long before shipping trade at the port calls for additional improvements. Mr. Piesse referred to the deplorable condition of the aborigines in his province. The Minister in control informs me that he has had a long interview with the Hon. H. V. Piesse and C. H. Wittenoom, M.L.C., and Mr. A. E. Piesse, M.L.A. Those gentlemen have given him much useful information and have promised their cordial assistance in his efforts to solve this difficult problem. The condition of the natives referred to is naturally causing concern and the Minister proposes to look into the matter closely. The whole question of native disabilities is bound up in the matter of ability to open up a new settlement, and this again is largely a question of finance. The Minister is hopeful of finding a way out.

Mr. Piesse also referred to the necessity for a bridge over the Avon River on the road between Kulin and Pingelly. This matter was considered in April last, but the engineer was unable to recommend the construction of a bridge for the reason that the traffic did not warrant it. I have been advised, however, that there is a possibility of the crossing at the point indicated being improved in the near future.

Mr. Piesse mentioned that many requests had been made by the lumpers at Albany for small areas of farming land. The Minister informs me that there is no record of any suggestion to make small holdings of 20 to 30 acres available at Albany, and the experience in connection with land settlement schemes for unemployed is not encouraging, apart from which financial considerations make it very difficult to contemplate any new ventures of this description.

#### BILL—MUNICIPAL CORPORATIONS ACT AMENDMENT.

Received from the Assembly and read a first time.

#### BILL—ROAD DISTRICTS ACT AMENDMENT (No. 1).

Read a third time and returned to the Assembly with amendments.

# **BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.**

## *Second Reading.*

Debate resumed from the 24th August.

**HON. G. W. MILES** (North) [5.4]: I should like first of all to offer some comment on the remarks of the Chief Secretary when introducing the Bill. He said—

The need of funds for the purpose of arresting the financial drift is no less pressing now than it was 10 months ago. The determination of the Loan Council to force a reduction of deficits is as great now as it was when the Mitchell Government hurriedly introduced their Bills of last year.

What I am surprised at is that the Loan Council did not insist on the State reducing its deficit to a greater extent. If the Government had budgeted for a smaller deficit, it might then have been possible to balance the finances in the following year. The Chief Secretary also said—

At the last meeting of the Loan Council, attended by Mr. Collier, as at the previous meeting attended by Sir James Mitchell, there were strong comments on Western Australia's failure to recognise its responsibilities. It was pointed out that, despite the increase we had made last year, we still had lower taxation per head than any of the other States.

Later the Chief Secretary said—

It was pointed out that it was our duty before seeking special consideration to do something to set our financial house in order by imposing additional taxation on our people.

That is correct, and I feel that the Minister was quite right in quoting the difference between the taxation in this State and the other States. In my opinion we have not taxed ourselves or effected economies to the extent that we should have done. There are further economies that could have been effected, but I am doubtful whether the Government looked around sufficiently. Another remark of the Chief Secretary was—

Those who can afford to do so, should contribute something but not the persons who are below the bread line.

I can only emphasise what other members have said, that while they are not prepared to tax anyone to contribute towards this legislation, the policy of the Government is to tax the worker by forcing him to become a member of a union before he can get a job, and, as has been pointed out, that is practically taxing the rest of the community

by transferring 6d. a week from the Government to Beaufort-street. The second Parliament of the State can collect 6d. a week, but its members cannot contribute anything to the revenue of the country. So I am opposed to the exemptions as proposed in the Bill.

Hon. J. T. Franklin: By Beaufort-street you mean the first Parliament.

Hon. G. W. MILES: Perhaps it is. The Chief Secretary also made reference to our deficit of last year under the Mitchell Government, and the amount raised by loan. The estimated deficit in 1931-32 was £1,360,000 and in 1932-33 the Government budgeted for a deficit of £765,000. The present Government are budgeting for a deficit of £750,000, which, I claim, is not a sufficient reduction. The deficit at the very most should have been half a million. The Chief Secretary also said—

In the circumstances, the Loan Council made the shortage good. They cannot be expected to repeat this too often, and they certainly would not assist us on a big scale. It must be remembered, too, that every loan raised means an additional charge on revenue.

That is a point I wish to emphasise. No further loan money should be raised unless it be raised for reproductive works. The improvement of the river foreshore is out of place altogether during the present crisis; the money could more profitably be used to carry out much-needed sewerage works which would be reproductive, since eventually a sewage farm could be established where stock could be fattened. It could be made a quarantine area where cattle from the North could be taken direct from Robb's Jetty and fattened for the market. I hope the Government will consider this point, and bring to an end the work of beautifying the foreshore in the vicinity of the Causeway. I do not know what visitors will think when they see money being spent in that direction. We are a debtor country and we are getting further into debt each year. Next year we shall have to find another £135,000 to pay interest on the loan and anticipated deficit of this year. Where is it going to end? It is like the snowball which increases in size as it moves along. I was surprised to hear some members congratulating the Government on their having been able to raise in the Eastern States more money than it was possible for the previous

Government to secure. As I have already pointed out, it means increasing the burden of public debt to the extent of another £8 per head. The whole system will have to be altered; it cannot go on. The Chief Secretary himself said this—

Lavish and extravagant loan expenditure is to be condemned; but loan expenditure in times of stress, to relieve hunger and want, in return for work done—provided the work produces something of real benefit to the State—is a line of policy which should disarm the criticism of every thoughtful person.

I maintain that the work being carried out on the river foreshore is not producing anything of real benefit to the State. There are other directions in which the expenditure of money could be employed which would be reproductive. There is one more quotation I should like to make from the Chief Secretary's speech. He asked whether we should close down all public works and allow unemployment, with all its terrors, to spread in the community, paralysing business with reactions on the State in a hundred forms. Then the Minister asked whether there was another alternative that could be suggested, and if there was, he would like to hear it. I interjected—"You could effect further economies." The Chief Secretary's answer was that it would be open to me to show how it was possible to effect further economies that would produce a saving of £105,000 per annum to meet increased interest, in addition to the amount of the reduction of the deficit of last year, funds for which were supplied by the Commonwealth Government in the form of a loan. I propose to show where economies can be effected. I should like to ask the Government whether they have looked very far to effect economies. Have they attempted to do so in the administration of the affairs of the country? I fail to see that they have done so. Sir Edward Wittenoom pointed to one, and I support very heartily the suggestion he made in respect of the University. We cannot afford to pay £25,000 a year to provide a free University. Mr. Holmes referred to the trading concerns, and while I cannot blame the present Government, I do strongly condemn the previous Government who were in office for three years, and who also held office for a considerable time before, for failing to dispose of the undertakings. That Government were returned to power pledged to get rid of the trading concerns, and we were told that they were a team of business

men! If they had been business men, they would have been able to get rid of the trading concerns. In Queensland Mr. Forgan Smith, the Labour Premier of that State, has disposed of the trading concerns. If ours had been sold, the sum of £100,000 a year and perhaps more would have been saved to the State, and in addition we should have had the benefit of the payment of rates and taxes by the private ownership. This has been denied the State all along by reason of Government interference with private ownership. In this direction I am not finding fault with the Labour Government; my complaint is against the previous Government.

Hon. E. H. Gray: Did they not invite tenders for most of them?

Hon. W. J. Mann: The Government could not give them away even with the State lottery.

Hon. G. W. MILES: Any business man would have found a way of disposing of them, and if they had been disposed of, the State would have been in a far better position.

Hon. J. Cornell: Even if we had burnt them down.

Hon. G. W. MILES: Yes, we might have got rid of them in that way. There is another direction in which economies might be effected and that is in connection with Parliament itself. The number of members should be reduced from 80 to 50 and Ministers from nine to six. Comparing the position with that in South Australia, the population of which State is 50 per cent. greater than ours, we find that there the number of members is 20 per cent. lower than the number in Western Australia. This shows that South Australia economised in that direction.

Hon. J. Cornell: They did not economise; they never had a large number of members.

Hon. G. W. MILES: Well they had the good sense not to over-man their Parliament, and so it is not costing so much to administer South Australia as it costs to administer Western Australia. That is an economy that should be effected in this State.

Hon. T. Moore: Are their deficits lower than ours?

Hon. G. W. MILES: That does not matter; it is no reason why we should squander money on our members of Parliament and pay them a salary of £480 per annum, whereas South Australia pays only £360. The Government have not economised as

they should have done during this crisis; it was the duty of Parliament to set the people an example. Savings arising from economies in Parliament would have been at least £14,000 per annum, which would have paid interest on a quarter of a million of money I congratulate the Minister for Employment upon having appointed the Economic Council, which I am sure will do good work. Also I congratulate Mr. Hill, the ex-Labour Premier of South Australia, who during the depression was one of the first of the Premiers to form a committee of business men to advise him as to where economies could be effected in the administration of his State. If the Government would appoint three or four business men as a committee to reorganise the Government departments, there should be effected a saving of at least £30,000 per annum. I hope the Government will take a note of that and see whether a great saving could not be brought about.

Hon. J. Cornell: They have started upon it in respect of the Agricultural Bank.

Hon. G. W. MILES: Again, there has been too much political influence exercised in our railway administration. The railways should be treated as a business undertaking instead of, as in the past, having railways constructed for party political purposes.

Hon. C. F. Baxter: Do you include the Marble Bar railway in that?

Hon. G. W. MILES: That line was constructed long before my time, and in order to develop a territory.

Hon. C. F. Baxter: What are we to do with it now?

Hon. G. W. MILES: I will tell you. The so-called business men in the late Ministry could not frame any policy, but allowed motor transport to come in and compete with the railways. What effort did they make to combat it? They sat down and did absolutely nothing. I hope the Labour Government will take a stand in regard to the administration of the railways. The Commissioner of Railways for a number of years has been trying to get crude oil coaches for the railways, but the late Government of so-called business men could not find the money for the purpose. Had those coaches been introduced it would have been possible to withstand the motor transport, and on out-back lines where trains run only once or twice a week a better service could have been given at lower cost. The Marble Bar railway certainly would contribute to the interest and

sinking fund if such coaches were running over that line. The railways have their capital cost and their staffs to carry, and have to run trains every day between Perth and Fremantle: they have their overhead expenses all the time. Had they cut their fares to 9d. or 1s. return, they would not have allowed the buses to get control in the metropolitan area. It is much better to have a train carrying 200 or 300 passengers at 1s. a time than to have it running empty. I hope the Government will take that point into consideration. The shipping companies are doing it. They have their capital cost of ships and their overhead expenses, and today we find them filled with tourists and running to Noumea at a rate equal to 15s. per passenger per day. The State ships run tourist trips up to Darwin, but they have not reduced the rates in accordance with the times. On the other hand the ocean ships running to Singapore have reduced fares from £1 per day to 15s. per day. It is well known that it costs only 5s per day to feed a passenger.

Hon. J. Nicholson: How much does it cost to run the steamer?

Hon. G. W. MILES: The steamer has to run in any case. That is a nice interjection to come from the hon. member. The trouble is that the government of the country has been run by men like the hon. member who interjected.

The PRESIDENT: Order!

Hon. G. W. MILES: The railways have to run all the time and the capital cost is always there. Every passenger at 1s. a time would mean extra revenue, instead of the trains being run empty. If we had crude-oil coaches they could run every 10 or 15 minutes. The State ships have an itinerary and are compelled to run with the mails, and so it is better to fill the ships instead of having only 10 or 20 passengers in them.

Hon. J. Cornell: Better for the bar, anyhow.

Hon. G. W. MILES: There has been a strike in some of the ships, and passengers will not go near the bar. However, those are points which I hope the Government will consider; if they had a committee of business men to advise them, these concerns, which the Government must run, would be put on an improved basis. Another point: I am glad to see on the Notice Paper an amendment to the effect that a proposed railway shall be built by contract, not by day



labour. That is another method of economising on behalf of the taxpayers. I hope that a further amendment will be added instructing the Government that any increased value given to the land by the construction of the line shall be credited to the railways capital account. Had that been done throughout Australia, instead of the Governments using the land revenue as general revenue, the railways capital account would have been written down and the producers would have been able to get their goods carried at reasonable freights, while the railways would have been able to compete with motor transport. Mr. Williams referred to the bringing down of interest, and Mr. Holmes pointed out that if we could get our interest down by one-half per cent. and our loans converted to the lower rate, it would save us £400,000 per annum. I agree with both those members, but I do not agree with the socialists, who want to tax the thrifty man and the honest worker for the benefit of the waster and the loafer. The A.M.P. have pointed out to the Federal Government that if they would do away with the property tax the interest rate would be reduced. I think the purpose of the recent conference between Commonwealth Ministers and the bankers of Australia was to get an assurance from the banks, and that the banks said they would willingly do it, but if they have to collect the extra revenue and hand it to the Government to squander, they will not bring down their rates. If the Government would but economise, the rate of interest would automatically come back. Certainly the only way to get down the interest rate is to cheapen the cost of government. The duplication of services, Commonwealth and State, has to be adjusted. As the Premier pointed out at the recent conference, it is not necessary to secede in order to get justice done. If the Federal members of Parliament would but have a little sense, all would be well. But they have gone on with their taxation until the Commonwealth now has a surplus of 3½ millions, although it is known that a considerable amount of Federal income tax has not been collected for the last year. The result is that the public servants are demanding to have their salary cut restored. If the Federal Government would repeal the income tax and the land tax, the Budgets of the several States could be balanced without taking any more from the people.

It would be one of the best things that could happen to Australia. I understand it is proposed that some of those alterations shall be made during the next session of the Federal Parliament. Further economies in a small way could be effected. For instance, I have been told that there have been fewer deaths during the depression than in normal times. It may have been that people could not afford to go to doctors. However, I am certain there has been less litigation than in normal times. Recently we have had a magistrate retire on the score of age limit, another appointed to his place, and a third to fill the position of the second man. If the Government would but look around, they would find that competent magistrates in the metropolitan area are to-day dealing with cases at the rate of one a minute. Probably one or another of these magistrates could be spared temporarily to take the position at Albany and so save the State £600 a year. The Licensing Court has done useful work and fulfilled the object for which it was appointed. The late Government should have abolished that court. I am not criticising the recent appointments, but certainly they should not have been made, for if the present Government were looking for economies, they could have left it to the chairman of the Court to carry on.

Hon. J. Cornell: The public pays the cost of the Court.

Hon. G. W. MILES: Either way, it is a tax on the people. We could not expect the present Government to abolish the Arbitration Court, but if they were looking for economies they could have done away with the two extra men on the bench, and so saved perhaps £1,200 per annum. Again, if the Workers' Compensation Act were amended, something like £200,000 per annum would be saved to industry. We cannot afford to pay more for an eye, a hand, or a limb than any other State in the Commonwealth can. If we were put on the same basis, that saving could be effected. Work would be created, and industry would move back more quickly into prosperity than it would otherwise do. Borrowing will not get us out of the wood, but will put a further millstone around our necks. The Chief Secretary made a strong point about the money the Government have to find compared with that which was available to the previous Government, owing to the deficit,

and the loans raised last year. He anticipated that £105,000 more would be required this year than was required last year. What will happen next year, when the same Government are in power, with the money they are borrowing now? A further £130,000 or £140,000 will be required, making a total of approximately £240,000 that we shall have to find next year. We must call a halt, and make efforts to balance our Budget next year. If we can do that, we can expect our creditors to reduce the rate of interest, which would mean a saving of hundreds of thousands of pounds to the taxpayers. All these economies run into about £167,000. In the case of the State trading concerns the economy is £100,000, the civil service £30,000, the University £20,000, Parliament £14,000, the Licensing Court £1,200, the Arbitration Court £1,200, and magistrates £600. If the business committee I suggest were appointed, I think these savings could be doubled.

The Honorary Minister: How do you account for the £100,000 in the case of the State trading concerns?

Hon. G. W. MILES: Through the money the Government are losing by incompetent management. If private enterprise were allowed to carry on the trading, the Government would be able to collect rates and taxes from the people concerned.

Hon. J. Cornell: Did the hon. member include the Wyndham Meat Works?

Hon. G. W. MILES: Yes; the works would be better in the hands of private enterprise.

The Honorary Minister: Do you think any private company would take them over?

Hon. G. W. MILES: I think so. A proposition will probably be submitted to the Government to take over those works as well as part of the North, which previous Governments have not been able to handle. I do not know whether the Government scheme for the unemployed will answer the purpose, but I do know that many men will not work because they can get more out of sustenance. A fortnight ago an advertisement was inserted in the paper for a man who could milk a few cows and handle pigs. Only two men applied, and one of them was a half-caste. People talk about thousands of men being out of employment, and about the difficulty of finding work for them, but I have tramped the streets in an endeavour to get a good man, have visited a labour

bureau, and have been unable to find anybody suitable.

The Honorary Minister: Why?

Hon. G. W. MILES: No suitable man was forthcoming.

Hon. E. H. Gray: Perhaps you were offering 10s. a week.

Hon. G. W. MILES: No statement was made about the wage, and no man was available for the job.

Hon. E. H. Gray: That is why no one applied.

Hon. G. W. MILES: A good deal of unemployment is due to agitators. In Fremantle I know that boys have refused work at 10s. a week and their keep—better keep than, in many cases, they have had in their lives. Members representing the West Province encourage them to go on refusing work.

The Honorary Minister: How many cases of that kind are there?

Hon. G. W. MILES: I cannot say, but we should not have members of the Legislative Council encouraging the unemployed in this attitude.

The Honorary Minister: We are not doing so.

Hon. G. W. MILES: By their interjections they are. The inference is that the boys are worth more than 10s. a week and their keep. It is no wonder we cannot get people back to work. I interjected some days ago that the unemployed could be employed destroying vermin. There are foxes, dingoes, eagles, and rabbits, which constitute a menace to the whole community. It is a national calamity that rabbits should be over-running the country. I have asked the Chief Secretary to consider whether a number of the unemployed could not be put on to destroying vermin, subsidised by the Government out of the unemployment fund. That would be rendering a service to the producers, would lead to more production, and more work for the railways and the wharf lumpers. I know the Government can do nothing with regard to Australian wire netting. We are obliged to use it, whereas England supplies South Africa and New Zealand at £9 a ton less than we have to pay. While the Melbourne policy continues to build up artificial secondary industries, the producer will continue to be penalised, and will be driven off the land. If he is driven off the land, God help the man in the city! Instead of the Government paying sustenance, when they cannot afford to pay even the basic wage, a scheme should be

brought into force whereby men could be employed by farmers, as was done two or three years ago. It is beyond me why the Mitchell Government gave up that scheme. Thousands of men could be usefully employed on farms, and would receive 10s. a week and keep; but that scheme was dropped. The money in this case could also be drawn from the unemployment fund. These men would be producing a national asset and an exportable commodity. They would also be providing more freight for the railways and more work for the lumpers. I hope the Government will again introduce that system. I am absolutely opposed to the retrospective clause of the Bill. Of course the Government must get this revenue. In June, 1930, I advocated the introduction of a 6d. emergency tax. Had that been imposed, we would have had a liability of £2,000,000 less than we have to-day. I cannot support the assessment Bill in its present form. I should like to see a graduated tax rising from 1d. in the pound. I would go as far as Mr. Williams proposed and say that if we could get from the Government an assurance that they would effect all possible economies, that the money would be used to balance the budget instead of being squandered on unproductive works, and if the Government would guarantee not to interfere with the 22½ per cent. reduction until the Budget was balanced, they could rely upon my support for a graduated tax to bring in a substantial amount of revenue.

The Honorary Minister: But not this tax.

Hon. G. W. MILES: No. I do not believe in the exemptions contained in the Bill. We must effect further economies, although for the time being we must get more revenue in order to balance the budget. I want to see the budget balanced, and, though I do not think that can be done this year, it should be done next year. The only way to bring that about is for everyone to contribute towards the general funds. Let us be consistent. We should not say we do not want to tax this person and that person, the man on the breadline, and then allow the union secretaries to collect 4d. or 6d. a week to pay into the Trades Hall for the creation of a political fund.

Hon. E. H. Gray: That is only a bogey.

Hon. G. W. MILES: It is not a bogey. It is a fact. I should like to see all taxation consolidated and simplified. This could be done if the Government procured

the right man to assist and advise them. We could have one tax to cover the emergency tax, the hospital tax and the income tax. It must be arranged on a graduated basis, and must come from the incomes source. Then all the Taxation Department would have to do would be to deal with the employers. A saving of from 30 to 50 per cent. could be effected in the cost of running the Taxation Department. I hope that point will be taken into consideration. I congratulate the Chief Secretary on the information he gave to the House just now. This is the first occasion on which it has been done since I have been in Parliament. I think every member appreciates his courtesy in replying in detail to the arguments put up by them on the Address-in-reply, and on the Supply Bill. I think I have made my position clear. Other members have spoken about the anomalies which exist to-day in regard to the definition of "directors" and "salaries." If the Bill reaches the Committee stage, I hope it will be amended in that direction. I cannot see why it is necessary for the House to carry the second reading. If we reject the Bill, it will only put us back to where we were. The assessment Bill will still remain, and the Government will have to recast their taxation measure.

Hon. J. Cornell: Bring down another Bill.

Hon. G. W. MILES: I do not think that would be necessary. If the Bill goes through I hope it will be drastically amended in Committee. Indeed it would be better to reject it. The Government know what we are prepared to do. The majority of members are agreed that the Government must have revenue. I should like to see the whole thing put through as quickly as possible. Time is getting on, and the Government will only be able to collect the tax for nine months instead of ten months. They will require to get increased revenue somewhere. I hope the matter will be finalised before long. Whilst it is costing £450 a minute, day and night, to run Australia, we cannot hope to carry on. I trust the Government will take into consideration the economies I have mentioned. If they would appoint a business committee—I think three men would be sufficient—they could be induced to act in an honorary capacity. They could then go into every department and advise the Government as to the economies that should be effected. This would probably lead to a saving of two or three hundred thousand pounds per annum.

**HON. G. FRASER** (West) [5.45]: As the first Government supporter to speak in support of the Bill, I wish to remark that Government supporters have not risen previously because of the fact that there has been no substantial opposition to the measure.

Hon. J. J. Holmes: Mr. Williams is one of your party, and he opposed the Bill.

Hon. G. FRASER: Mr. Williams concluded by saying that he would vote for the measure.

Hon. J. Cornell: He said he supposed he would have to.

Hon. G. FRASER: Numerous other members have said the same thing. Certainly they pointed out various features which they thought needed amendment, but at the same time they stated their intention of supporting the second reading. Consequently there was no need for any Government supporter to rise in defence of the Bill.

Hon. E. H. Harris: What brought you up, then?

Hon. G. FRASER: Because this is one of those Bills on which one does not care to record a silent vote. I do not suppose that at any time a member will support a taxing Bill with enthusiasm, especially one that doubles the tax upon himself. The opposition to the Bill so far is based on the graduation of the proposed tax. Mr. Miles expressed himself to that effect.

Hon. G. W. Miles: I want to get back to the £1 a week.

Hon. G. FRASER: The hon. member stated later in his speech that he would favour a graduated tax.

Hon. G. W. Miles: Starting at £1 a week.

Hon. G. FRASER: All the opposition to the measure has arisen from the exemptions, which are to be raised. I have not heard from any hon. member any justification for opposing the Bill on the ground that incomes of £1 or £2 a week should be taxed.

Hon. J. J. Holmes: Is there any reason why those who receive such incomes should pay 6d. a week to the unions?

Hon. G. FRASER: Yes, if they are getting the services of the unions.

Hon. V. Hamersley: What about the services of the State?

Hon. G. FRASER: Every member of the community bears, either directly or indirectly, his share of the cost of running the country. I have not heard any hon. member justifying the taxation of a single man earning £1 a week or a married man

earning £2 a week. Whilst supporting this measure, I have a few complaints to make. My main complaint is that the exemptions are too low and that the graduation does not go far enough. With Mr. Williams I agree on one point, that from £8 per week onwards should be taxed. There ought to be no exemption above the £8 a week mark. To counterbalance that, I would like the Government to raise the exemption. An exemption of £3 10s. is altogether too low.

Hon. E. H. Harris: You object to a flat rate?

Hon. G. FRASER: Yes.

Hon. E. H. Harris: But you do not object to a flat rate from £8 upwards.

Hon. G. FRASER: I want the graduation to be carried on beyond the £8.

Hon. E. H. Harris: Will you move an amendment to that effect?

Hon. G. FRASER: I do not believe in putting on the Notice Paper an amendment which, from the composition of this Chamber, I know will not be carried. However, that does not prevent me from having my own views on the question. I consider that in stopping the graduation at £8 the Government made a great mistake. Numerous members, and particularly goldfields members, have expressed themselves as opposed to the Bill.

Hon. E. H. Harris: They have stated that the Bill slugs every man on the goldfields.

Hon. G. FRASER: Yes; but when the Bill is boiled down, we shall find that under it many men will pay less than under the expired Act. Take the case of the man earning £3 18s. 6d. a week.

Hon. E. H. Harris: Where?

Hon. G. FRASER: Mr. Williams told us that the basic wage of railway employees was £3 18s. 6d.

Hon. J. Cornell: £3 11s. 6d.

Hon. G. FRASER: Both £3 11s. 6d. and £3 18s. 6d. were mentioned. There is also the £4 6s. for the miners.

Hon. E. H. Harris: You promised to recompense them by taking something off the 18 per cent.

Hon. G. FRASER: I promised nothing whatever. Under this Bill the £3 18s. 6d. man will pay 1s. 4d. per week.

Hon. E. H. Harris: What did he pay under the other Bill?

Hon. G. FRASER: He paid 1s. 6d.

Hon. E. H. Harris: No; 1s. 8d.

Hon. G. FRASER: Any man earning over £3 15s. paid the £4 rate, and the £4 rate at 4½d. in the pound represents 1s. 6d. Under this Bill such a man will pay 1s. 4d., or 2d. less per week. The man on £3 11s. 6d. will pay 2½d. more per week.

Hon. E. H. Harris: And the majority will pay that rate.

Hon. G. FRASER: The majority, the men on £4 6s., will pay only a few pence a week more than they paid under the expired Act.

Hon. E. H. Harris: You do admit that they will pay more?

Hon. J. Cornell: What will the Wiluna men pay?

Hon. G. FRASER: I do not know what they receive.

Hon. J. Cornell: They receive 2s. per week more than the Kalgoorlie men.

The PRESIDENT: Order! I must ask hon. members to allow the hon. member to proceed with his speech without being continually interrupted.

Hon. G. FRASER: The opposition of goldfields members is due to the extra cost to workers in their particular electorates. They favoured last session's measure, which involved a tax of 4½d. in the pound. However, as I have shown, under this Bill workers will in some instances pay less, and in other instances 2d. or perhaps 2½d. per week more. When all is said and done, there is not much difference between the two sets of rates; but there is this distinction between the two measures, that under the Bill numerous persons who can ill-afford to pay any tax whatever will be exempt. It is much easier for the man on £4 6s. per week to pay a tax of 1s. 6d. or 2s. per week than it was for the man on £2 a week to pay a tax of 9d. under the old measure. Out of £2 a week, 9d. is a heavy burden, a much heavier burden than 2s. out of £4 6s. Whilst I would like to see men on £4 6s. per week paying less in taxation, I fail to see that the difference between the two measures should arouse so much opposition to the Bill. Mr. Williams said he was sorry Western Australia had not a Mr. Lang, or some such person. If we had a Mr. Lang in Western Australia, the tax would not be 4d. or 5d. in the pound, but 1s. in the pound, and from £1 upwards.

Hon. J. Cornell: But there would be family endowment with that.

Hon. G. FRASER: Perhaps so.

Hon. J. Cornell: It is so.

Hon. G. FRASER: Mr. Williams was dealing with the taxation aspect only, and I am showing how inconsistent is his argument against the Bill when he asks for the introduction here of something initiated by Mr. Lang which would greatly increase the burden on the worker. Under Mr. Lang's scheme the man on £4 6s. a week would pay 100 per cent. more than this Bill calls upon him to pay. Mr. Williams said he was disgusted with the Labour Party. I am more disgusted with the hon. member for putting up such a proposition than he is disgusted with the party.

Hon. J. Cornell: Mr. Williams was merely voicing the opinion of his electors.

Hon. G. FRASER: That may be so. I am voicing my opinion and what I hope is the opinion of my electors. I trust that the same thing applies to Mr. Williams.

Hon. J. Nicholson: Mr. Williams said he opposed the Bill on behalf of the people he represents.

Hon. G. FRASER: I do not know what his intentions are, but certainly his argument was lopsided when he asked for the introduction of Mr. Lang's measure into this State. I hardly think that measure would be acceptable to Mr. Williams' constituents. I trust hon. members will carry the second reading and let the Bill go through as printed. It is too much for me to hope that they would agree to extend graduation beyond £8 per week.

Hon. G. W. Miles: Are you speaking on behalf of yourself or on behalf of the Government?

Hon. G. FRASER: I am speaking on behalf of myself and on behalf of the unfortunate persons whom the money to be raised by this taxation will assist. I have to sink my personal feelings, which would lead me to vote against the measure.

Hon. E. H. Harris: Do you suggest that you are caucus-bound in that respect?

Hon. G. FRASER: I have said nothing about caucus.

Hon. E. H. Harris: I am suggesting that you are caucus-bound when you talk like that.

The PRESIDENT: Order!

Hon. G. FRASER: I prefaced my remarks by saying that on account of the number of unemployed workers whom the Bill

would assist, I would sink my own personal feelings, which would cause me to reject the Bill. I shall vote for it because of the great assistance which the money to be raised under it represents to those in need of assistance.

Hon. E. H. Harris: We have not yet been told what the money will be used for.

Hon. G. FRASER: The hon. member knows that this Bill is, in effect, a continuance of the measure passed last year for the assistance of the unemployed. I said last session that the only objection I had to that measure was that it did not include a graduated scale of taxation.

Hon. E. H. Harris: Then would you support an amendment to tie up the money so that it cannot be used except for the one specific purpose?

Hon. G. FRASER: It does not matter, whether the money is tied up or not. The money will be used for the one objective; it must be used for the one objective. Whether funds come out of Consolidated Revenue or out of the taxation to be raised under this Bill is all the same; the money must be found for the relief of unemployment, and in fact a much greater amount will have to be found. The Bill, if enacted, would provide approximately £400,000. But £400,000 represents only a drop in the bucket of the amount of money which will have to be expended by the Government in relief of unemployment. The total amount is likely to exceed £2,000,000. There is a big gap between that total and the return from taxation under the Bill. I understand money will be borrowed for expenditure on work that is regarded as absolutely essential. Quite a number of those works have already been listed by the Government. The great feature of the Bill is that the money raised by means of the tax will enable those people who have been in dire distress for years past, to live under slightly more comfortable conditions. By the expenditure of money raised by means of the financial emergency tax and by the expenditure of loan moneys, people who have been practically dependent upon charity for the last few years, will be able to live under more satisfactory conditions. Although the Government have met requirements from the standpoint of food supplies, the big problem confronting the unemployed, particularly during the past two or three years, has been the replenishment of clothing and household requirements and the maintenance of a roof over the heads of

their families. One of the greatest fears of the unemployed is that of eviction from their homes. Many landlords during the time of stress have been rather lenient, but there are some who demand their pound of flesh. The passage of the Bill into law will place many of those unfortunate people in a more satisfactory position from the standpoint of maintaining their homes.

Hon. E. H. H. Hall: Did not the Tenants, Purchasers and Mortgagees' Relief Act Amendment Act, passed last session, prove of use to the unemployed?

Hon. G. FRASER: The legislation was of some use, but relief was not accorded those we largely had in mind when it was agreed to. Of what use to a man who has been out of work for upwards of two years, is the right to go to a court and secure exemption for six weeks or a couple of months? The practice has grown up for agents and landlords to demand from persons desirous of renting premises, the presentation of a clean sheet from the applicants' previous landlords. If they cannot produce clean sheets, they cannot secure the premises they desire.

Hon. E. H. H. Hall: Could not the men who have been out of work two years, as you say, apply for extensions?

Hon. G. FRASER: Yes, in some instances.

Hon. Sir Edward Wittenoom: What will be the ultimate fate of a man in the position you have indicated?

Hon. G. FRASER: Unless legislation such as that under discussion be agreed to, enabling work to be financed, I will not prophesy what will happen to men in such a position. With the imposition of the financial emergency tax, plus other expenditure by the Government, men will be able to earn sufficient money to tide them over the period they will have to stand down from employment under the Government scheme.

Hon. J. Nicholson: How will that enable such men to earn money?

Hon. G. FRASER: The imposition of the financial emergency tax, combined with the financing of other Governmental activities, will enable it to be done.

Hon. J. Nicholson: But how will this Bill enable that to be done?

Hon. G. FRASER: The hon. member must realise that, by permission of the President, we are able to discuss, in this debate, the two

Bills relating to the imposition of the tax. If we do not agree to the taxation and we cut £400,000 off Government revenue, loan expenditure will be curbed proportionately.

Hon. J. Nicholson: If last year's legislation be re-enacted, the Government will not lose £400,000. That was the course suggested by Mr. Holmes.

Hon. G. FRASER: No, but that will not afford relief to those who require it. The course suggested would merely perpetuate what we objected to last year. A man who earned £2 would have to pay a tax of 9d. a week.

Hon. G. W. Miles: Who said so?

Hon. G. FRASER: If one may infer anything from the speeches that have been delivered so far, that is the suggestion. It was proposed that we should re-enact last year's measure.

Hon. G. W. Miles: A number of members are prepared to support a graduated tax.

Hon. G. FRASER: I have not heard them say so.

Hon. J. Cornell: I said I would.

Member: I said so, too.

The PRESIDENT: Order! I must ask hon. members to permit Mr. Fraser to proceed. His speech has developed into what resembles a Committee discussion, and the debate should proceed on the principles of the Bill.

Hon. G. FRASER: I have little more to add beyond asking members to pass the Bill not because they approve of it, but because of the good that its passage will mean to many unfortunate people. That good will be accomplished by the Government through the expenditure of the money that will be made available. So far as I can gather from the attitude adopted by members, I should say that they would prefer the re-introduction of the tax of 4½d. in the pound on a flat rate. I ask them to imagine the position of a man in receipt of £2 a week faced with the responsibility of maintaining his home and supporting his family. That man will have to pay a tax of 9d. a week. That may not represent a large sum to the average individual who is earning a good salary, but it is a large amount to the man who has to do so much with his small wage of £2 a week. I hope the House will take a long view, and pass both this and the taxing Bill in the form in which they have been presented.

HON. V. HAMERSLEY (East) [6.8]: I do not approve of the Bill, and shall vote against the second reading. You, Mr. President, have been good enough to allow members to discuss the taxing measure as well as the assessment Bill on the present occasion. In fact, some of us are more or less in doubt as to which Bill we are really supposed to be dealing with. One is so wrapped up in the other that it is difficult to discriminate between them in considering some of the arguments that have been advanced. It has been suggested that if we defeat the Bill, we will interfere with the raising of a large amount of money that the Government expect to secure under the taxing Bill. The only phase before us at present, so far as I can gather, is the increasing of the exemption from 21s. to £2 a week.

Hon. Sir Edward Wittenoom: If we reject the present Bill, we can amend the other Bill.

Hon. V. HAMERSLEY: In my opinion, there is ample scope for amendment in the taxing Bill as well as in the assessment Bill. If the assessment Bill be rejected, we shall have the original financial emergency tax legislation to work on. The Act I have in mind is on the statute-book now, and it remains there until it is replaced by an amending taxing Bill. I do not see why Parliament should have been asked to increase the exemptions beyond the figure indicated in the Financial Emergency Tax Assessment Act. The exemption specified there—21s.—is fair. The people have a voice in the election of the Government, who will have the right to spend money collected by means of this taxation, and surely everyone should be expected to pay, keeping in mind the exemption I have referred to.

Hon. G. Fraser: The people have not an equal vote in the election of members of this Chamber.

Hon. E. H. Gray: The young people would be taxed under your scheme and yet have no representation in Parliament.

Hon. V. HAMERSLEY: The position was very satisfactory in the past, when the people had to pay for their education, and I can remember children bringing their fourpences to school and handing them to the teacher. Anyone in receipt of pay from the Crown in any form at all was deprived of the right to vote at elections. We have

made tremendous strides since those days, and the people have enjoyed many rights and privileges formerly denied to their predecessors. In the circumstances, I think the exemption of 21s. a week specified in the Assessment Act on the statute-book is low enough, but the Government ask us to raise the exemption considerably. Is it not rational that we should expect single persons to pay something towards this taxation, especially as they have a voice in the moulding of the Government of the country. Their vote is of equal value to that of married people who have so many additional responsibilities to shoulder. Many persons came to Western Australia in the old days and spent their lives in developing and building up the resources of the State. Then others drop in from nowhere, remain here for six months and then have an equal voice in determining how the State shall be governed and how our revenue shall be expended.

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

Hon. V. HAMERSLEY: A person who, after coming into the country, exercises a reasonable amount of thrift, can qualify and secure a vote for this House. It is quite a proper precaution to have that safeguard and not throw away votes for this Chamber quite so casually as for another place. Anyone exercising a little thrift and investing a small amount of capital in this country has an equal vote for this Chamber with anyone else.

Hon. G. Fraser: The only qualification a woman can have is a separate estate from her husband's.

Hon. V. HAMERSLEY: Women have rights in property and many of them have qualified to vote for this House. It has been remarked that the action of the Government in asking us to approve of this Bill is in effect asking us to sign a blank cheque. I agree with that remark. We should have had before us the Estimates of revenue and expenditure for the year, before being asked to pass the Bill. We are asked to vote on the blind, to give the Government £388,000, and we are at least entitled to know how the money is to be spent. Whether due to the vote on secession or to the fact that the finances of the Commonwealth have been more buoyant, the Government have not been subjected to the stringent rules laid

down by the Loan Council when the Mitchell Government were in office. The present Government have a larger amount of funds at their disposal than had their predecessors, and it is astonishing that they should desire to raise more than the previous Government required for the extra services to keep sustenance men in employment and carry on works in different parts of the country. It has been suggested that legislation will be introduced to enable road boards to borrow more money and spend it in their districts.

Hon. E. H. Gray: A good idea, too.

Hon. V. HAMERSLEY: I do not agree. The people are already taxed by the Federal and State Governments and by the local authorities, and many are complaining that their rates have been going up while the returns from their property have been going down, and that they are not now receiving enough from their properties to pay their rates. If we extend the borrowing powers of local authorities the result will be unfortunate for those who have invested money in property for the benefit of the community, believing that thus invested it would be safe. No one benefits more by such investments than the man on the bottom rung of the ladder, the man for whom everybody at present seems to have extremely great sympathy. Much employment is created by the investment of money by private enterprise. If we close down on that, it will be a sorry day for those who look for a living from the work provided by the timber trade, building trade and other businesses brought into being by the expenditure of money on behalf of thrifty people. The Government are quite prepared to extract the £388,000 from the taxpayers while granting wide exemptions to the lower paid section of the community. The proposal of a tax on a sliding scale seems to have caught the ear of many people. I have taken out some figures that I should like to place on record because I believe that many people have no idea of the amount of taxation certain sections are already bearing. When a sliding scale is proposed, such as that provided for in this Bill, we should study the effect of it. When passing any measure we should consider not only the immediate effect, but the probable ultimate result. In addition to the financial emergency tax now proposed, people have to pay hospital tax, State income tax and Federal income tax. The following figures show what a single person who has invested



his money in property will have to pay by way of taxation:—

Income.	Financial emergency Tax.	Hospital tax.	State income tax.	Federal income tax.	Total.
£	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
164	1 14 8	0 13 0	0 22 10	...	1 3 0 6
182	3 0 8	1 3 9	1 22 1	...	5 15 6
234	4 17 6	1 9 3	2 5 10	...	8 12 7
312	7 16 8	1 19 0	3 12 5	...	12 16 31
364	12 3 8	2 6 6	4 3 5	0 9 0	18 11 0
700	28 5 0	4 7 6	14 9 4	16 11 11	59 9 8
800	30 0 0	5 0 0	18 8 4	19 13 4	68 3 6
900	33 15 0	5 12 6	22 16 0	25 13 4	86 3 6
1,000	37 10 0	6 0 0	27 13 0	33 20 0	104 3 0
1,500	54 5 0	7 6 0	40 0 0	48 20 0	152 5 0
2,000	73 0 0	12 10 0	60 0 0	68 5 0	213 5 0
2,500	93 15 0	15 12 6	83 0 0	93 10 0	285 5 0
3,000	131 5 0	18 12 6	123 0 0	131 0 0	383 5 0
4,000	181 5 0	25 17 6	160 0 0	181 0 0	453 5 0
5,000	225 0 0	31 5 0	200 0 0	225 0 0	551 0 0
6,000	285 10 0	37 10 0	240 0 0	285 10 0	652 0 0
8,000	388 15 0	43 5 0	320 0 0	388 15 0	861 5 0
9,000	430 0 0	48 0 0	360 0 0	430 0 0	968 0 0
10,000	537 10 0	53 0 0	440 0 0	537 10 0	1,167 10 0

Hon. members will see that in many instances on the higher income, more than half is paid by way of taxation. The reason I have quoted these figures is because it is claimed we are making wonderful exemptions for all those people who are on the bottom rung of the ladder.

The Honorary Minister: Are not the figures you have quoted very misleading?

Hon. V. HAMERSLEY: The figures I have quoted are the amounts that many people have to pay.

The Honorary Minister: Quote the taxation on salaries, not incomes?

Hon. V. HAMERSLEY: The figures I have quoted are not the taxes paid by persons on salaries. The people we are mostly concerned about are those who invest money in this country, and I understand it is the desire of the State and Federal Governments to induce people to invest money here. Does the hon. member think we can run this country merely with people who are drawing salaries?

Hon. J. J. Holmes: You have not said anything about the two land taxes that are paid.

Hon. V. HAMERSLEY: No, the figures I have quoted do not represent the totals paid by way of taxation.

Hon. J. Nicholson: What the Honorary Minister means is that your figures do not represent the taxes levied on incomes the result of personal exertion.

Hon. V. HAMERSLEY: I could have quoted those figures if it was desired to have them.

The Honorary Minister: I object to misleading information.

Hon. V. HAMERSLEY: It is not misleading in any way. The figures I have quoted are those with which everyone to-day is concerned.

The Honorary Minister: Not at all.

Hon. V. HAMERSLEY: Well, I am, and so are many others who have worked very hard for many years and who are on the verge of bankruptcy through taxation. Now the present Government tell us that there are to be exemptions and consideration shown to persons with small incomes. It is not necessary for me to repeat what has already been said on behalf of the insurance companies. Figures have been quoted in this House showing that savings entrusted to these companies must be invested in bona fide and safe channels. I have quoted the larger incomes to show that individuals or companies drawing those sums pay more than 10s. in the pound by way of taxation. Fortunately, under the Bill we are discussing, the sliding scale stops at 9d; it has a little conscience to that extent. But all the same it is an appalling tax. The flat rate of 4½d. was a very fair and reasonable tax. Everybody recognised that the State had to be carried over a serious period, and everybody contributed, whether they had £1, £5, £500 or £5,000, and they knew exactly where they were. We who are employers had no difficulty in working out the rate that had to be paid by each of the individuals we employed. Under the proposed tax, we shall all have to go into various questions and to find out whether a man is married or single, what he earned during a previous engagement, and all the rest of it.

Hon. G. Fraser: That will not affect you.

Hon. V. HAMERSLEY: It will. What about the man shearing one week and doing something else the next week?

Hon. G. Fraser: You only deduct the tax from what you pay him.

Hon. V. HAMERSLEY: Now I shall not know whether the man I employ is to pay 4d., 5d., 6d., or 7d. I want to get on with my job and not to hold post-mortems every week with my employees. The proposed tax

will involve the whole community in a trying time; in fact, it will mean that employers of labour will have to engage someone to make the calculations for them. It must not be forgotten that most of our work in the country is seasonal. It will be necessary for us to calculate how much has been earned during, say, a contract. Why should we be put to all that worry? I am not going to have it. I would be more inclined to stop and say I was not going on. I am to be held responsible if I make a miscalculation. But then the man has gone.

The Honorary Minister: You are not responsible for a contractor.

Hon. V. HAMERSLEY: Then who is?

The Honorary Minister: He, himself.

Hon. V. HAMERSLEY: Who is to chase him? The employer is responsible, and has to collect from the men. I can see a lot of employers getting out, but not all of us can get out. We cannot say whether a man has earned more somewhere else. Very few people have any conception of the amount of worry and taxation under which the community is at present suffering. It is easy to say they can afford it, but a lot of the figures I have quoted are familiar to and come within the range of a good many in this Parliament.

Hon. J. Nicholson: Not those weekly earnings.

Hon. A. M. Clydesdale: You must be speaking for yourself.

Hon. V. HAMERSLEY: No, I am speaking for all those who invest in house property and others who breed stock. If they have a good calving or lambing, so many calves or lambs are taken in on a valuation. But the owner has not the cash, notwithstanding which it is called income by the Taxation Department.

Hon. T. Moore: That is not in the Bill.

Hon. V. HAMERSLEY: But the Bill is going to touch us all up for cash. The trouble is that the income of breeders is in valuation. I know many who have said they would be only too glad to get out. Some have decided to cease breeding cattle and sheep because they cannot stand the valuation, which shows a big income to them, while any cash they get from sales has to go into the coffers of the Government because it is a cash transaction. Talk about encouraging people to invest money in this country! Why, the Government are doing their best to block all development! The

insurance companies and banks, which hold the savings of a lot of people, are under very severe trial. The Federal Government claim that those institutions must reduce interest rates, and the institutions have replied to the Government, "If you will give us some relief from taxation we can reduce interest, but while we are called upon to pay these enormous sums, it is impossible." It is not their money; it is money that has been handed to them for safe keeping by people of small incomes who are afraid to invest it themselves. The figures were quoted by Mr. Piesse and Mr. Bolton, and I do not wish to repeat them. All these amounts, coming together in the aggregate, are to be hit by this 9d. rate. I hope we shall give very much more consideration to these taxing measures before we pass them. We talk about finding work for people. Those with whom I am associated wanted a system of bulk handling of wheat, in the installation of which a tremendous amount of labour would have been utilised. But the Government have blocked the work, will not allow private enterprise to put its own money into the scheme. It would have given a lot of employment to those in the timber industry, in fact it would have re-started that industry, and in addition would have meant a great deal of traffic for the Railway Department. But a halt has been called, just because a few men in Fremantle complain that it will put them out of a job. I remember when it was first proposed to extend to Toodyay, Northam and York the railway from Fremantle to Guildford. The teamsters who had to cart sandalwood and other produce from inland claimed that if the railway were constructed they would be out of work. However, the railway was put down, whereupon the teamsters turned to other avenues. Some years later teamsters made money carting to and from the goldfields. Then, when in course of time the goldfields railway was proposed, the teamsters declared it would mean their ruin. However, the railway was constructed, and the teamsters again found other means of employment. The installation of bulk handling would have resulted in keeping money within our own community; but the Labour Government, by restricting that system of handling, will be causing immense sums of money to be sent to the East for jutes, instead of finding employment for our own men, and that without any cost to the Government.

It is this sort of thing that hamstrings us at every turn, and I have no patience when the same Government come along and place these further imposts on the people. We know, of course, that the Government require funds. Personally, I hate the idea of anybody declaring that the State shall not have anything from him; I say he owes it to the State to contribute his quota. However, I am sure the proposed taxation goes too far, that a flat rate would be infinitely more preferable to the sliding scale, and so I will oppose the second reading.

On motion by Hon. W. J. Mann, debate adjourned.

## RESOLUTION—SECESSION.

### *Assembly's Message.*

Message from the Assembly received and read asking the Council's concurrence in the following resolution passed by the Assembly:—

That in view of the result of the referendum taken under the provisions of the Secession Referendum Act, 1932, this House is of the opinion that it is the indispensable duty of the Parliament on behalf of the people of Western Australia to endeavour by a dutiful address to His Majesty and humble applications to both Houses of the Imperial Parliament to procure such legislation by the said Imperial Parliament as may be necessary to effectuate the withdrawal of the people of the State of Western Australia from the Federal Commonwealth established under and by virtue of the provisions of the Commonwealth of Australia Constitution Act (Imperial), and that a Joint Committee of both Houses of Parliament be appointed to consider and recommend what action shall be taken in relation to the preparation, completion, and presentation of the said address and the said applications in order to give effect to this resolution.

The Assembly has appointed a committee of five members, and requests the Council to appoint a committee with a similar number of members with power to confer with the committee of the Assembly.

## BILL — FREMANTLE MUNICIPAL TRAMWAYS AND ELECTRIC LIGHTING ACT AMENDMENT.

### *In Committee.*

Hon. J. Cornell in the Chair; the Hon. G. Fraser in charge of the Bill.

Clause 1—agreed to.

Clause 2—Authorisation of the borrowing in the United Kingdom of money repayable in English currency:

Hon. G. FRASER: Certain questions have been asked as to the length of time for which the debentures will be issued. I am informed by the secretary of the Tramways Board that it is intended the debentures shall be issued for 10 years, but may be redeemed after four years. I understand they will be redeemed in four years if the exchange is favourable. If not, they will be allowed to go on for the full term, in the hope that within that period the rate of exchange will improve from our point of view. The debentures are issued on the basis of six-sevenths for Fremantle and one-seventh for East Fremantle municipalities. The value of all the debentures is approximately £10,000, and the exchange is equal to about £2,500. The actual cost of the machinery it is proposed to purchase is £9,800. The loan will not be a public one, but will be arranged with certain institutions, which will advance the money for the purchase of the material to the firms who are supplying it. I think the Yorkshire Insurance Company is supplying money direct to the suppliers, and a friendly society is providing the balance. This is a transaction between the Yorkshire Insurance Company and the friendly society, and the suppliers of the material.

Hon. E. H. Harris: What rate of interest will the debentures carry?

Hon. G. FRASER: I have omitted to obtain that information. The Bill is introduced because of a ruling by the Privy Council. In the case of the Broken Hill Proprietary, that tribunal ruled that the money had to be paid in Australian currency. The suppliers of the material to the Fremantle Tramways Board are not prepared to accept the debentures unless this Bill, providing that the debentures shall be redeemed in English currency, is put through.

Hon. J. J. HOLMES: Mr. Fraser's explanation has satisfied me. The Tramways Board has been a successful concern. This is indicated by the announcement that the debentures will be repaid in four years if the exchange is favourable. This is the result of removing concerns like this from political to municipal control. At one time there was friction as to the method of control. We got over the difficulty by giving

the East Fremantle owners a representative and the occupiers a representative, and giving the same privilege to Fremantle. We made the Mayor of Fremantle the fifth member of the board. When the owner lived in his house he also received a double vote, one as occupier and one as owner. We tied up the business so well that it has been a success ever since. I am glad the board continues to make money.

Question put and passed.

Clauses 3, 4, Schedule, Title—agreed to.

Bill reported without amendment and the report adopted.

### **BILL—GOVERNMENT TRAMWAYS ACT AMENDMENT.**

*In Committee.*

Resumed from the 16th August. Mr. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Title:

The CHAIRMAN: The question is that the title stand as printed.

Hon. J. T. FRANKLIN: I wish to move to insert two new clauses.

The CHAIRMAN: The hon. member can only do that after the Bill has been recommitted.

Title put and passed.

Bill reported without amendment.

*Recommittal.*

On motion by Hon. J. T. Franklin, Bill recommitted for the purpose of considering proposed new clauses.

*In Committee.*

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

New clause:

Hon. J. T. FRANKLIN: I move—

That a new clause be inserted to stand as Clause 3, as follows:—The Minister shall pay to the local authorities on whose roads trolley buses shall run, as and by way of contribution towards the cost of and expense of keeping such roads in repair, a sum equal to 20 per cent. of the actual cost incurred by such local authorities in keeping such roads in a proper state of repair.

Under the Tramways Act the Government maintain the track for 18 inches on each side of the outer rails of the tramlines. Not much expense would be involved if this new clause were passed. The trolley buses would run practically over the whole surface of the road, from kerb to kerb. The ratepayers of the city have taken a pride in keeping their roads in proper condition. There is no doubt that the trolley buses will add to the friction upon the surface. This new clause is brought forward in order to get justice for the local governing bodies throughout the metropolitan area. I hope it will be agreed to. At the same time I compliment the Government upon their evident desire to supply the wants of the travelling public.

The CHAIRMAN: I am afraid that this proposed new clause is really our old friend that I ruled out previously. I now rule that this new clause, like its predecessor, is not one that can possibly be moved in this House or in this Bill.

Hon. J. T. FRANKLIN: I shall not dispute your ruling, Mr. Chairman, because I always respect, and try to assist, the Chair; but I certainly thought myself quite justified in moving the new clause, which merely represents fairness to the ratepayers. I fail to see that it is inconsistent with the Bill, and I do not know why the Government did not include it in the measure. I now move—

That the following be inserted to stand as Clause 4:—“Section three of the principal Act is amended by adding after subsection (1) (i) the following paragraph:—

(j) If at any time after the Minister has erected or caused to be erected in any streets of a local authority any poles and/or overhead wires for use in connection with any Government tramways and/or trolley buses, the local authority alters the alignment of or increases the width of the made up or paved portion of any street in which such poles and/or wires are erected, the Minister shall, upon the written request of the local authority, and at his own cost and expense, remove such poles and/or wires and re-erect same in such a position as will not obstruct the thoroughfare.”

The object of this new clause is the protection of the ratepayers of the city of Perth, and also of other portions of the metropolitan area into which the system of trolley buses may be introduced. Streets have been made disgracefully unsightly by the erection of poles for the trolley bus line. These poles might do in the suburbs, but in the quarters where they have been erected more ornamental poles should have been used. In some

streets the poles have been erected inside the kerb; but those streets may be widened, and the municipalities should be protected against having to bear the cost of removing the poles. The municipal engineers were not consulted by the Government engineers before the poles in question were erected. In such matters there should be more co-ordination. The city has frequently incurred heavy expense in removing tramway poles, as, for instance, one at the corner of Bazaar-terrace and William-street. The Tramway Department removed that pole at the request of the council, but the council had to foot the bill for the removal—£45. The council have frequently bought land from private holders, or resumed land, with a view to rounding off corners; and if poles are in the way of such operations the council should not have to bear the cost of removing them.

The CHAIRMAN: Standing Order 19L reads—

Any amendment may be made to any part of the Bill provided the same be relevant to the subject matter of the Bill, and be otherwise in conformity with the Standing Orders.

The subject matter of this Bill is set out in Clause 2—

“Tramcar,” subject to the context, includes a trolley bus. “Tramway” includes a route upon which trolley buses are used, as distinct from tramcars running on rails, as part of the Government tramway system. “Trolley bus” means an electrically equipped vehicle run on ordinary roadway, the power supply being obtained from two overhead conductors, one positive and the other negative.

It will be seen that the whole subject matter of this Bill is trolley buses.

Hon. G. W. Miles: Are not poles part of the subject matter, poles being needed for the wires?

The CHAIRMAN: The whole subject matter of the Bill is trolley buses. Mr. Franklin’s amendment goes to the extent of amending the Government Tramways Act, to say that the Bill shall apply to tramways generally as well as to trolley buses. That is where the amendment is out of order. If the amendment applied only to trolley buses, I could accept it. I am reluctant to rule the amendment out.

Hon. J. J. Holmes: This is a Bill to amend the Government Tramways Act.

The CHAIRMAN: Yes, but the subject matter of the Bill is trolley buses. The amendment is not consistent with the sub-

ject matter of the Bill, which deals purely and simply with trolley buses.

Hon. L. B. Bolton: If the words “tramways and/or” were struck out of the new clause, would it be in order?

The CHAIRMAN: The new clause would have to be withdrawn and re-moved.

Hon. J. Nicholson: I take it, Mr. Chairman, you could accept the amendment suggested by Mr. Bolton?

The CHAIRMAN: I cannot accept it, because I have ruled the new clause out of order. Mr. Franklin, I take it, does not wish to move that my ruling be disagreed to.

Hon. J. T. Franklin: No, Sir.

The CHAIRMAN: I suggest that Mr. Franklin, upon my reporting the Bill to the House, request the Leader of the House to be gracious enough to defer the report stage until to-morrow. Then, when the Chief Secretary moves that the report be adopted, Mr. Franklin, if he desires to propose a new clause in an amended form, can do so at that stage. That is the only way out of the difficulty.

Bill again reported without further amendment.

## BILL—YUNA-DARTMOOR RAILWAY.

### *Second Reading.*

Debate resumed from the 22nd August.

HON. SIR CHARLES NATHAN (Metropolitan-Suburban) [8.47]: The most carping critic would find it difficult to deny the undoubted advantages of this particular area as portrayed by its supporters. It has splendid rainfall, absence of frosts, good land, large area, and, above all, close proximity to a seaport, with harbour facilities providing ample accommodation with a minimum haulage. My criticisms as to the wisdom of the construction of this line are not based upon the unsuitability of the area for cultivating wheat, but on the wisdom of a policy of railway extension for the development of large areas of wheat-growing country under the economic conditions which prevail, as also the extension of a method of transport generally recognised by authorities the world over as becoming rapidly obsolete, at any rate so far as developmental and feeder systems are concerned. Opinions are diversified as to the soundness or otherwise

of the further development of wheat growing lands, but there are at least certain facts that stand out as being self-evident. Wheat is one of the staple articles of food of civilised countries, on which they largely depend for sustenance in times of peace and war. Every man with humanitarian thoughts, hopes that we shall never have another war, but past history and present indications show the futility of this belief. It is universally accepted that the nation which is dependent upon other nationals for its supplies of armaments and munitions, is heading towards suicide. It is therefore equally important that each nation should, for its own protection, render itself self-supporting in so far as foodstuffs are concerned. Is not the development of this policy largely responsible for the position which faces wheat-exporting countries at the present time?

Germany, France, Italy—in fact, all European countries—are endeavouring to provide for their own requirements, whilst America, Canada, Australia and Argentine, each year have, and will continue to have, even on their present production, a heavy surplus to dispose of. Yet, Western Australia, like the ostrich, burying its head in the sand hoping to avoid the economic dangers with which it is threatened, proposes to build more railways and throw open still larger areas for settlement and for the greater production of wheat.

I have no desire to be ranked as a Jeremiah, but may I point out that merely to suggest that a remedy for all our troubles is to increase production, is utter folly. Production must be related to human requirements, and the closest study of both the requirements and the limitations of our markets should be made before we preach the increase of wheat areas and of our output, as the solution of our difficulties. I do not wish to be misunderstood; mine is not the counsel of despair, but of caution. "When the cards are running against you, don't attempt to retrieve your losses by overbidding your hand" is a wise axiom, accepted even amongst gamblers. One of the arguments advanced in favour of the Yuna-Dartmoor railway is that there are already a number of farmers settled in the area it is proposed to serve and that it is impossible for these men to grow wheat profitably unless they are provided with adequate transport facilities. But in this policy of railway extension, it is not only the

settlers already in the area with whom we have to reckon, but others who may take up land still further afield once the railway is authorised, entailing obligation later on for still further extensions. And so we go on, adding materially to the capital indebtedness of a railway system already overburdened with non-paying lines. Without a settled policy, where are we heading? As Mr. Thomson has pointed out, our railway system, on which £22,000,000 has been spent, is already heavily over-capitalised. One can sympathise with him in his desire to put things on a better basis—so far as the system itself is concerned—by writing down the capital value of existing non-paying lines, but what is to be gained if we are to yield to the incessant demand for more, and still more extensions, the paying possibilities of which are more than doubtful? At the present time there are new railways already authorised by Parliament, to a length of 315 miles, the estimated cost of which is £1,801,500, and if the Yuna-Dartmoor railway proposal is accepted, this figure will reach just on £2,000,000.

The lines are as follows:—

Mileage.	Line.	Estimated Cost.
		£
28	Brookton-Dale ... ..	155,000
85	Yarramony Eastward ... ..	382,500
95	Boynup Brook-Cranbrook ... ..	548,000
107	Manjimup-Mt. Barker ... ..	716,000
315		-----1,801,500
50	Yuna-Dartmoor ... ..	165,000
365		£1,966,500

How does Mr. Thomson hope to achieve his objective if this state of affairs is to continue? To-day our railways are claiming protection against an advanced system of transport which threatens their very existence, while Governments, recognising the challenge of modern development and failing to convert it to their purpose, seek to overcome the menace by restrictive and even despotic legislation. There is a way out so far as the Yuna-Dartmoor settlers are concerned, a way which would not only provide them with all the transport facilities they at present need, but would give an invaluable opportunity for an experiment which, if successful, would revolutionise our present transport methods and solve what I consider to be the predominating difficulty standing in the way of this State's development; and I know of no

area where conditions are more favourable for the demonstration.

Recognising the necessity, both for military purposes and for more economical methods in the extension of settlement, both in the Crown Colonies and British Dominions overseas, the British Government in 1927 created the Overseas Mechanical Transport Advisory Committee, which, in conjunction with the then Mechanised Brigade at Tidworth, and in association with the leading motor manufacturers, embarked on a five-years' programme for a complete investigation, designed to perfect a more modern method of road transport. It was considered it would take five years in which to design the first unit and that a further two years would be required for testing under service conditions. The five-years' period was up last year. And, as a result of the initial experiments, a re-designed unit has now been despatched to Gold Coast for a practical trial under service conditions. I have previously referred in the House to these investigations, expressing the opinion that at the end of the five-years' period, there was no country in the Empire more suitable for a practical demonstration than Australia, and Western Australia in particular. The work of the committee has gone along hand in hand with independent practical experiments by manufacturers. As a result of investigations made by a high official in the Government service, recently in England, it was found that commercial units are now being manufactured capable, with trailers, of transporting 20 or 30 tons, or even more. It is thought that, for developmental purposes, 15-ton units would be best suited for a State like Western Australia and these could be landed at a cost of £2,600 each delivered in Perth. One of the difficulties in the development of country districts by this method is the cost of fuel. So far, producer gas has not proved satisfactory. Internal combustion engines, consuming crude oil have proved the most satisfactory. Operating costs, however, have been prohibitive when the unit has been required to operate in areas distant from a seaport, owing to the cost of transporting fuel. The Yuna-Dartmoor area seems ideal for making such an experiment. It is in close proximity to the port of Geraldton, while from the head of the existing railway line, there are no heavy grades, whereas the length of railway at present proposed is only 30 miles. I am advised that the cost of crude oil at Geraldton will probably be

less than 5d. per gallon, and that engine consumption will give 8.8 miles to the gallon. Track construction is not a heavy problem. In any case, units of the articulating type can be used. For a capital expenditure of £10,000 for three units and the maximum of another £20,000 for track construction, we could try an experiment, which, if successful, would solve our problems. It would also solve the problem so far as Australia as a whole is concerned. No doubt the Commonwealth Government could be induced to contribute towards the experiment. In conclusion I would add that in 1932 there were over 140,000 acres of Crown land for which applications were approved for conditional purchase and free homestead farms, while from January to June of this year, a further 60,000 acres had been added. I venture to think that not one acre of this is within economic carting distance of a railway. If I were asked to suggest what the policy of a Government should be under existing conditions, I would say that for the time being, all land should be withdrawn from selection in areas that were situated beyond an economic carting distance; and that in wheat areas which have already been settled, such as the Yuna-Dartmoor, motor transport facilities should be provided at rates of freight competitive with railways, the loss in the initial stages to be recouped from a special grant for agricultural development. With finances easier and the world's economic conditions clearer, when we desire still further to develop our wheat lands, would it not be wiser and more statesmanlike, before suggesting more railways, to investigate the possibilities of utilising the many thousands of acres at present lying unproductive adjacent to the lines already constructed? There is another thought always present in my mind: one of these days the Government must seriously grapple with the problem of the over-capitalisation of existing wheat farms, in an endeavour to relieve the burden of accumulated indebtedness. When the time arrives, any plans with this objective will conceivably involve the repossession by the State of areas now lying uncultivated, and permit of their again being thrown open for selection by others who will make better use of them. I trust I have said enough to convince members that I am in full sympathy with those who desire to provide the settlers in the Yuna-Dartmoor area with facilities comparable with those in other portions of the State, but if the State

is to preserve its solvency and develop its huge territory, some more economical and effective method of transport must be found. I therefore hope members will vote against this Bill, and by its rejection emphasise the need of Government action in the direction I have endeavoured to indicate.

**HON. T. MOORE** (Central) [9.2]: When the Bill was introduced I expected no opposition to it, but members have seen fit to give reasons why the railway should not be constructed. It is generally agreed by all those members who have seen the area to be settled that the land up there is quite suitable for settlement. If I may take it for granted that that is so, it will not be necessary for me to enlarge upon what has already been said by others. It is agreed by those who have seen the locality that it is one of the finest districts within a safe rainfall, a rainfall which has proved regular and consistent over all the years during which it has been recorded. I listened attentively to the ideas put forward by Sir Charles Nathan, and I must say I do not think we have arrived at the stage when we ought to say that no further development should take place in this State. In my view, this State has to go on, no matter what eventuates. The country must be opened up. It would be wrong for us to say that the existing depression may result in our not being asked to produce wheat for overseas markets. He would be a pessimist indeed who believed that we have arrived at that stage in a country that can produce wheat more cheaply perhaps than it can be produced elsewhere. We must take the long view and say we have to go on despite the depression. As a matter of fact, there is just now a very hopeful outlook for wool, which has also to be considered in the area to be served by the proposed railway. In my view, motor traffic has never yet been satisfactory. It may be all right in certain instances where, as now, we find it successfully competing with the railways in the handling of high-class freights; but in regard to lower-class freights, such as wheat and super, it has never been demonstrated that they can be carried by motor traffic at the rate charged by the railways. In the carriage of those two commodities motor traffic is altogether behind the railways.

**Hon. J. M. Macfarlane**: The railways are hard put to it to cart wheat and super at the rates they charge.

**Hon. T. MOORE**: I admit that, because the rates charged on those two commodities are low, although we farmers find it difficult to pay the present prices. After all, what will happen if the Bill be passed and the railway constructed? At this juncture we have to find work for 12,000 or 14,000 men. Private enterprise can find no justification for the employment of those men just now; until the depression came, those men were employed by private enterprise, but now they are thrown on the resources of the Government. In these circumstances is it not better that those men should be employed in the building of this railway than having them make roads that are blowing away? Roads constructed of a mixture of gravel, sand and clay will not endure, and are not suitable for motor traffic, and would crumple up under the system mentioned by Sir Charles Nathan, the overseas motor transport system. Roads to carry heavy vehicles with big loads would cost much more than the roads we have built in the past. If Sir Charles Nathan would go out and have a look at the area to be served, he would be satisfied that he has been speaking on wrong lines, for the motor vehicles he contemplates could not be run over anything but very substantial roads. I admit that the carting of wheat could be done in the summer time, but even then a substantial road would be required for the accommodation of 15-ton trucks, such as Sir Charles advocates.

**Hon. J. J. Holmes**: And that road involves a section of 15 miles over sandplain.

**Hon. T. MOORE**: Even our clay country, as roads, will not stand up to 15-ton motor lorries.

**Hon. J. J. Holmes**: And the State cannot afford the building of four miles of railway for the service of one mile of good country.

**Hon. T. MOORE**: There is nothing like that in this proposition. I am sure that if Mr. Holmes visited the area, he would agree that the land is quite all right.

**Hon. J. J. Holmes**: The Minister's second reading speech set out what I have repeated.

**Hon. T. MOORE**: The point is that we have the men idle, thousands of them doing work a lot of which is useless in point of reproduction. Then again, we have the sleepers cut. To provide work, large numbers of sustenance men have been set to cut quantities of sleepers which, although not wanted up to the present, will some day be useful. So the sleepers are already cut, and



if that stock were used it would be economically sound for the men who cut them to go on cutting more sleepers for other requirements. So we have the sleepers, we have the men for the construction of the railway, and in addition we have the rails. Why then should we not utilise all these factors? Sir Charles Nathan said that every nation is trying to become self-supporting. That is just the line we have to follow: we have to do what the other chap is doing, to make the money we have spin round and remain in this country. As for motor transport, the machines are made overseas, the money to pay for them goes overseas, the money for their fuel goes overseas, and so too the money for spare parts and replacements, in addition to which the machines soon become obsolete and wear out. So we have a repetition of money going out of the country. I have given close study to the question of the construction of this railway, and I can say that if there is one work in this country which ought to be proceeded with, it is the building of this line. This is one of the jobs that ought to be entered upon, and so I hope the House will agree to the Bill, if only on that account. A good report of the area has been given by those who have visited it and since spoken on it; every member who has been up to the area to be served has subscribed to the necessity for the line, and I think those who have not visited the locality should be satisfied to take the evidence of those who have.

**HON. C. H. WITTENOOM** (South-East) [9.14]: Like Mr. Moore, I am surprised at the opposition shown to the passage of the Bill. A little while ago I made up my mind strenuously to oppose every line suggested until a beginning was made with the four or five lines in the South-West and Great Southern already authorised. Time after time has the construction of those lines been requested, and time after time have the requests been passed over. I refer, of course, to the Boyup Brook line, the Pemberton line, and the Brookton-Armadale line, the last named being one of the most important lines yet to be put in hand.

**Hon. E. H. Harris**: You approve of this line being built?

**Hon. C. H. WITTENOOM**: I do, but a little while ago I was averse from supporting any further railway until those already authorised were started.

**Hon. J. M. Macfarlane**: Do you approve of this line being built before those already authorised are built?

**Hon. C. H. WITTENOOM**: I am so firmly convinced of the quality of the Dartmoor country that I intend to support the Bill. I have seen something of the country and I say it is deserving of a railway probably before any other district in the State. A further consideration is that a large amount of money has been spent on the harbour at Geraldton. What is the use of spending all that money on the harbour unless we increase the means to feed it with traffic? So far as we can judge, much more money will have to be spent there in view of the damage done recently. The time has not arrived when the building of railways in this State should be stopped. Producers have long distances over which to cart their products, more particularly wheat, distances that are increased owing to the nature of the country. We have very good land interspersed with poor land, and wheat has to be carted over very long distances.

**Hon. J. M. Macfarlane**: The building of the Dartmoor line will not cure the old trouble, will it?

**Hon. C. H. WITTENOOM**: We are a primary producing State, more so than is any of the sister States, and if we are going to build railways, we should build them in the richer parts where the lines are more likely to pay. We should also build lines that will be of the maximum use to the State. We have different railway systems that ought to be linked up, thus making for more economical working and probably cheaper freights. The Dartmoor railway, it is estimated, can be built at the comparatively low cost of £3,250 per mile.

**Hon. J. M. Macfarlane**: Do you know the average cost of the railways right through?

**Hon. C. H. WITTENOOM**: Much more than that.

**Hon. J. M. Macfarlane**: Yes, £5,700.

**Hon. C. H. WITTENOOM**: It has been suggested that the line should be built by contract, not by day labour. If it is built by contract, the cost will probably be kept within the estimate.

**Hon. G. W. Miles**: Will you support the amendment providing for contract?

**Hon. C. H. WITTENOOM**: If it is built by day labour, the cost will probably be greater. For building the Denmark-Nornalup line the estimated cost was £5,000 or

£6,000 a mile, but the actual cost was £9,000 or £10,000.

Hon. E. H. Harris: Do you think this estimate will be any nearer than that one?

Hon. C. H. WITTENOOM: Under contract it should be possible to build it at the estimated cost. So far as I can gather, there are no engineering difficulties.

Hon. J. M. Macfarlane: Will the Government agree to build it by contract?

Hon. C. H. WITTENOOM: I suppose they will. The climatic conditions of the Dartmoor country seem to be almost perfect. It is within 100 miles of the coast, and has a rainfall of 18 or 19 inches. The land has not been utilised to any great extent, and there is not much experience of the actual rainfall, but a short distance east, records have been kept for many years. Farming has been carried on in the Dartmoor district for only about five years. When the line is built, we are told, it will serve 300 farms, and the area of country is 800,000 acres, of which 250,000 acres are first-class land. That speaks well for the district. I consider that the strongest argument in favour of the line is that it will provide considerably more wheat for shipment from Geraldton. Some 240 tons of wool were sent from the district last year, but with a railway that quantity should be largely increased. On the information before us, the Dartmoor line should be the first to be built, but if it is built I hope consideration will be given to the construction of the lines authorised for the South-West. I should like to see a line constructed from Lake Grace to Albany. I give the Labour Government credit for having authorised the survey of that route. For a long time we have asked for the survey, and now we are going to get it. When the route is surveyed, I hope the line will be constructed.

**HON. G. FRASER** (West) [9.22]: I congratulate the Chief Secretary on the wonderful effort he put forward in moving the second reading. While listening to him I thought for a moment that he must be speaking of the promised land.

Hon. A. M. Clydesdale: You will go there soon enough.

Hon. R. G. Moore: But you will find no railways there.

Hon. G. FRASER: I am sorry the Minister did not devote his effort to a better cause. Although his effort was wonderful,

it did not convince me that I ought to vote for the measure.

Hon. L. B. Bolton: Are you afraid of Geraldton?

Hon. G. FRASER: There does not happen to be any petty jealousy between the two ports. I should like the Minister, when he is replying, to answer a few questions.

Hon. E. H. Harris: And make another wonderful effort.

Hon. G. FRASER: It will have to be better than the original to get my vote. I want to be satisfied of the absolute necessity for pulling up the line to Horseshoe to supply the rails for the Dartmoor line.

Hon. C. F. Baxter: Why leave it there?

Hon. G. FRASER: In view of the fact that some day we may be a separate State and will have to undertake the defence of the country, what better line is there to connect with the northern part of the State?

Hon. C. F. Baxter: Only the rails remain now.

Hon. G. FRASER: The railway has not been down a great many years.

Hon. A. M. Clydesdale: Four years. Have you seen it?

Hon. G. FRASER: No. If it has been down only four years, there should be more than the rails left.

Hon. J. J. Holmes: That railway was built by day labour.

Hon. A. M. Clydesdale: No, it was built by contract.

Hon. G. FRASER: Had it been built by day labour, it would have been there for the next 50 years.

Hon. A. M. Clydesdale: Mr. Holmes slipped that time.

Hon. G. FRASER: I am not convinced that the line should be pulled up.

Hon. A. M. Clydesdale: Have a look at it and you will be.

Hon. G. FRASER: There must be a use for the line. The object in building it was to serve the manganese deposits, and the present low price of manganese prevents the successful working of the deposits, but there may come a time when to work them will be profitable.

Hon. E. H. Harris: In what way could manganese be profitably used in Western Australia?

Hon. G. FRASER: I am not an expert in that line of business. When so much money was invested in the proposition, there must

have been a good prospect of manganese being profitably used.

Hon. E. H. H. Hall: Particularly Geraldton money.

Hon. G. W. Miles: And a lot of Government money.

Hon. C. F. Baxter: It has gone, and you will never get it back.

Hon. J. J. Holmes: Has it ever occurred to you that people are losing money to avoid taxation?

The PRESIDENT: Order! I must ask members to allow Mr. Fraser to proceed.

Hon. G. FRASER: But for the fact that the rails in that line are available, it appears to me that the construction of the Dartmoor line would not be proposed. I also want to know whether, if the Bill be passed, the Dartmoor line will be the first to be built.

Hon. E. H. Harris: No, the Southern Cross-southwards line will be built first.

Hon. G. FRASER: If, as in the past, we were merely being asked to authorise the building of a line, one might not take much exception to it, but if the passing of the Bill signifies that the line will be constructed immediately, I must be satisfied that it is the first line that should be built. When we consider the number of railways long authorised but not yet constructed, there must be strong reasons for giving preference to the Dartmoor line. I have in mind a railway that would provide a valuable link with other lines, but the Dartmoor proposal is merely perpetuating the old system of running lines anywhere and finishing nowhere. I had hoped that we were getting away from that system, and that in building railways we would have endeavoured to link up existing lines. Some two or three years ago I attended a function in the Great Southern, and we were informed that unless the railway in question were built, there would be no more turkey. There had been so many deputations about that line. The railway referred to was the Brookton-Armadale project.

Hon. C. F. Baxter: I knew it was coming.

Hon. H. J. Yelland: The trouble is it is not coming.

Hon. G. FRASER: There must be some special features about the line or the interjection would not have suggested itself to the hon. member. The building of the Brookton-Armadale line would involve no

greater mileage than the building of the Dartmoor line—a matter of 50 miles—and it would not only provide facilities for people already settled in the district, but would afford a valuable link between the main line and the chief port. It would mean a great saving not only to the people in the district but to the railway system itself. I believe it would also mean 70 miles less haulage from the Great Southern districts to Fremantle. Then there is a saving of delay occasioned at present by everything having to pass through the bottle-neck.

Hon. W. J. Mann: Would it go to Fremantle?

Hon. G. FRASER: I do not know why that line has not been built. I shall require some exceptionally sound reasons to induce me to vote for the construction of the Yuna-Dartmoor line in preference to that from Brookton to Armadale. Many other lines have been authorised, but I do not know much about them. I do know the Dartmoor country, however, and have been through it, and I am aware of the necessity for the railway, but I hope the Chief Secretary will give some very solid reasons why the Yuna-Dartmoor line should be given preference over the Brookton-Armadale line. I have heard it stated by a member in another place that the first 20 miles of the total distance of 30 miles it is proposed to construct will pass through sandplain, upon which nothing can be grown. The member in question knows the district, and has been responsible for considerable work having been done there. I want to know if that statement is correct. If it is true, there must be many more pressing reasons for the railway than that it will serve 10 miles of cultivable territory. If the Chief Secretary can satisfy me on these points, I shall be prepared to vote for the second reading, but not otherwise.

On motion by Hon. H. J. Yelland, debate adjourned.

*House adjourned at 9.31 p.m.*