

for example the pastoralist. Take the man in the far North who runs cattle. How is he to be guaranteed against loss of stock? Probably in some cases he cannot get his stock brought down. The question is one which requires serious consideration. I am sure that those who are interested in the pool will also consider the claims of others as well as their own.

I note with gratification that the Government intend to augment the metropolitan water supply. It is high time that something was done in that direction. I had hoped that something would have been accomplished before this, but now we have missed the present season. I am pleased to see reference made in the Speech to the forests laboratory, and to the Council of Industrial Development. Anyone who has had the opportunity of visiting the recent exhibition in connection with our forest products, must have been impressed by the earnestness of the Conservator in displaying in such a manner the State's possibilities. The demonstration was certainly an eye-opener to many. The point of course, which requires to be determined is, to what extent some of the ideas can be carried out with profitable results. If we can support enterprises in connection with many of our products, and manufacture articles at a price which will enable us to export, then by all means the Government should give the fullest aid in such directions. The practical view, however, is important and will need to be thoroughly inquired into. I think, therefore, the full encouragement should be given. I still conclude my remarks by a reference to the paragraph on the concluding page of the Speech which alluded to the amalgamation of the Federal and State Taxation Departments. When the measure for the amalgamation of those Departments came before a last year I expressed some doubt as to whether it was wise for the State to enter into this agreement. I still have very grave doubts as to the wisdom of the passing of that Act. I regret to note that it is contemplated to make even further amalgamations and I trust that the Government will wait for a time in order to see the result of the one which has just been entered upon. I look upon the amalgamation of the Taxation Departments as the first step towards unification, and if further amalgamations take place the position will be made worse. One wants to make very sure of his ground. If we had studied more closely the report of Mr. Owen issued in November, 1919, the measure passed last year to authorise the amalgamation would not have been agreed to so readily. I urge hon. members to closely peruse that report so that they may be prepared, if any further amalgamation proposals are submitted. I do not agree, of course, with everything contained in the Speech, but notwithstanding any adverse criticism I may have indulged in, I assure the Minister that it has been offered with the intention of trying to suggest some method whereby we may reduce the deficit. If any suggestions I

have made result in any other member being prompted to make suggestions in addition, to assist the Government of the day, then I will be pleased to think that I shall at least have been of some little service to the State.

On motion by Hon. Sir Edward Wittcnoom debate adjourned.

House adjourned at 6 p.m.

Legislative Assembly.

Tuesday, 2nd August, 1921.

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

SWEARING IN OF MEMBER.

Mr. Willecock (Geraldton) took and subscribed the oath and signed the roll.

ASSENT TO BILL.

Message from the Governor received and read notifying assent to the Treasury Bills (Signatures) Bill.

QUESTIONS (6)—RAILWAY MATTERS.

Season and yearly tickets.

Mr. PICKERING asked the Minister for Railways: 1, Is it a fact that the "all lines" and "sectional" season tickets are

issued on the basis of 12 monthly payments? 2, What advantage accrues to the purchaser of the yearly ticket? 3, What is the anticipated loss of revenue (a) by the loss of the 12 months advance payments; (b) loss of issues? 4, Does the Minister propose to give any advantage to purchasers of yearly tickets over purchasers of monthly tickets?

The MINISTER FOR RAILWAYS replied: 1, Yes. 2, None, other than that he is protected from the effect of any further advance in season ticket rates during the currency of his ticket, and that holders of yearly and half-yearly tickets are always certain of cloak-room facilities free of charge. 3, Nil. As a matter of fact the season ticket earnings for the year just closed show an increase of £23,000 over the earnings of the previous year. 4, No. It is not proposed to go further than indicated in reply to Question 2.

Buffet car, South-Western Line.

Mr. PICKERING asked the Minister for Railways: 1, Is it his intention to provide a buffet car on the South-Western line? 2, If not, why not? 3, If so, over what section? 4, If so, at what approximate date?

The MINISTER FOR RAILWAYS replied: 1, No. 2, Because it is not considered to be necessary. 3 and 4, See reply to No. 2.

Rates on agricultura' traffic.

Mr. McCALLUM asked the Minister for Railways: 1, What are the rates of freight charged by the Railway Department on the following goods: agricultural machinery, artificial manures, wheat, wool, coal, chaff, oats? 2, What has been the result of this traffic to the department (profit or loss on each item separately) for the last financial year?

The MINISTER FOR RAILWAYS replied: 1, The rates given in accordance with the rates book, and varying according to the mileage carried. 2, It is not practicable to calculate the actual results of this trade to the department, but on the average cost per ton mile throughout the railway system on all goods traffic, manure, wheat, coal, and chaff would show a loss, and wool would show a profit.

Kalgoorlie Express, overcrowding.

Hon. P. COLLIER asked the Minister for Railways: 1, What number of second-class passengers were on board the express train ex Kalgoorlie on the 20th July last? 2, What was the seating capacity of the accommodation provided? 3, Is the Minister aware that a number of passengers were compelled to stand in the corridors and on the platforms throughout the night journey to Perth and that, in addition, compartments were disgracefully overcrowded? 4, Will he cause the matter to be thoroughly sifted and ascertain

who was responsible for such callous indifference to passengers' interests?

The MINISTER FOR RAILWAYS replied: 1, It is presumed that an error has crept into this question, and the date intended to refer to is the 25th ultimo; the reply is therefore 38 sleepers and 42 ordinary. 2, Forty-eight sitting or 36 sleeping, but compartments in a first-class car were utilised for second-class passengers holding sleeping-berth tickets. 3, Yes; the second-class accommodation was inadequate. 4, The matter is being inquired into, and those responsible will be suitably dealt with.

Demurrage remitted, wool and wheat.

Hon. P. COLLIER asked the Minister for Railways: 1, What was the amount of money involved in demurrage charges on wool the whole of which was rebated by the Commissioner of Railways consequent upon a deputation from the Primary Producers' Association (consisting of Messrs. Monger and Lee Steere) which waited upon the Commissioner in April or May last? 2, The total amount of demurrage charges on wheat, remitted or refunded during the last financial year?

The MINISTER FOR RAILWAYS replied: 1, £4,154 6s. 8d.; wool is carried at first class rate, which rate includes charge for handling by the Commissioner; the demurrage accrued due to the wool and hides being held in trucks in consequence of the carters, who were on strike, refusing to handle same, and as the goods shed accommodation was not equal to storing all that was received, it would have been manifestly unwise for the Commissioner to unload the trucks, which, as stated, was his responsibility; and, seeing that the demurrage accrued because the department did not unload the trucks, the Commissioner took the view that such demurrage could not reasonably be debited to the consignees. 2, £393 1s. 9d.

Vice-regal coach and Major Kerr-Pearse.

Mr. CORBOY asked the Minister for Railways: 1, Is it a fact that the vice-regal coach was made available, together with attendance by railway employees, to Major Kerr-Pearse and his family in June last for the purpose of holidaying at Busselton? 2, If so, what was the cost of this service? 3, Is it a fact that at the same time men were being dismissed by the Railway Department in order to effect economies?

The MINISTER FOR RAILWAYS replied: 1, No. Permission for the use of this coach was given on account of a breakdown in the health of the private secretary, and the doctor's orders that hotel conditions were unsuitable for recovery. One conductor only was sent with the car, in accordance with the usual practice. 2, In addition to the above, sustenance £4 14s. 3d., and railway fare £2 8s. 8d., were involved and paid privately by the person receiving the service, as well as £5 for the services of the conductor men-

tioned in (1). 3, Yes, but purely because of a temporary falling off of trade, which has no connection with the above-mentioned incident.

QUESTION—WHARFAGE CHARGES, FREMANTLE.

Mr. McCALLUM asked the Colonial Secretary: What are the rates of wharfrage levied by the Fremantle Harbour Trust on the export of the following products: timber, ore, wheat, wool?

The COLONIAL SECRETARY replied: Timber: outwards, wharfrage 1s. 6d., plus surtax of 20 per cent. (4d.); total 1s. 10d. per ton of 40 cubic feet. Ore: when ore has gone through some form of concentration, outwards, wharfrage 1s. 8d., plus surtax of 20 per cent. (4d.); total 2s. per ton. Wheat: wharfrage, nil; no outwards wharfrage is charged on products of the soil, such as grain, flour, agricultural, horticultural, or farm produce and W.A. coal when shipped to any port. Wool: outwards, wharfrage, 9d., plus surtax of 20 per cent. (2d.); total 11d. per bale or two bags, bundles, or pockets; if wool is landed by sea and declared for transshipment, it pays a transshipment wharfrage covering inwards and outwards transactions of 1s. 6d., plus surtax of 20 per cent. (4d.); total 2s. per ton of five bales or 10 bags or pockets.

QUESTION—WATER SUPPLY.

Fremantle district.

Mr. McCALLUM asked the Premier (for the Minister for Works): 1, Have any steps been taken to prevent a recurrence of the water famine experienced last summer by the residents of the Fremantle district? 2, If so, will the Minister give particulars of his intentions in this regard?

The PREMIER (for the Minister for Works) replied: An extra storage reservoir has been built at Richmond, and it is not anticipated that the supply for the coming summer will fail to give satisfaction, providing the consumers are reasonable in their draw upon the supply.

QUESTION—AGENT GENERAL, PRIVATE RESIDENCE.

Hon. P. COLLIER asked the Premier: 1, Have the Government acquired a private residence in London for the use of the Agent General? 2, If so, will the Premier lay the papers relating to the matter on the Table?

The PREMIER replied: 1, Yes, this was approved by Parliament last year. 2, Yes.

QUESTION—ROTTNEST ISLAND BOARD.

Hon. W. C. ANGWIN asked the Premier: 1, Is the board controlling Rottneest Island appointed to office by the Government? 2,

How many Ministers of the Crown are members of the board? 3, Is a Minister chairman of the board? 4, Is a Public Service officer secretary of the board? 5, Has the board called tenders, and accepted same, for supplies of goods to visitors to, and residents of the island? 6, Did the board accept any tender for supply of goods manufactured in the Eastern States? 7, If so, were tenders submitted by local manufacturers at lower rates for such goods? 8, Will the Premier cause to be laid on the Table of the House all prices quoted for all goods in accordance with the tenders submitted?

The PREMIER replied: 1, Yes. 2, Two. 3, Yes. 4, Yes. 5, No; tenders have, however, been called for buildings and furnishings. In respect to furnishings, local manufacture is stipulated wherever possible. In respect to supplies, quotations are obtained from wholesale grocery houses each year when stocking up in readiness for the tourist season, and goods of West Australian manufacture are given preference. Residents, for the most part, obtain their supplies from the mainland, and these are transported to the island free of charge to consignees. 6, 7, and 8, Answered by No. 5.

QUESTION—WESTRALIAN FARMERS, LTD.

Hon. W. C. ANGWIN asked the Premier: 1, Has a company known as the Westralian Farmers, Limited, submitted a proposal to the Ministry for carrying on all affairs of State on a commission basis? 2, If not, has the company submitted any proposal for the purpose of taking over any of the Government business undertakings or trading concerns? 3, If so, will the Premier lay such proposal on the Table of the House?

The PREMIER replied: 1, No. 2, No. 3, Answered by Nos. 1 and 2.

QUESTION—WHEAT BOARD.

Hon. W. C. ANGWIN asked the Minister for Agriculture: 1, Did any Minister cause to have published in the "Primary Producer" newspaper of the 21st January, 1921, over the name of E. G. Stenberg, an advertisement which stated "Notice is hereby given of an election of one representative of the wheatgrowers in the State of Western Australia to occupy a seat on the Australian Wheat Board"? 2, Did the advertisement also state, "No person is qualified to become a candidate who, at the time of nomination, is a Government wheat acquiring agent, or a director, officer, or employee of any company, or any person being such agent"? 3, Was the nomination of Mr. S. J. McGibbon received and accepted for the position of representative on the Australian Wheat Board? 4, Was "The Westralian Farmers, Limited," of Perth, the Government wheat acquiring agent for the harvest of 1920-21? 5, Is Mr.

S. J. McGibbon, whose nomination was received and accepted, auditor to the company known as the Westralian Farmers, Limited? 6, If so, was Mr. S. J. McGibbon appointed to the position of auditor to the Westralian Farmers, Limited, by the directors or shareholders, or both those sections of the company? 7, If so, have the directors or shareholders power to dismiss an auditor appointed by them? 8, If the directors or shareholders have power to appoint and dismiss an auditor on behalf of the company, is not the person who holds the position of auditor an official of the company? 9, If so, what was the reason for accepting Mr. S. J. McGibbon's nomination as candidate for the position of wheat growers' representative on the Australian Wheat Board?

The MINISTER FOR AGRICULTURE replied: 1, Yes. 2, Yes. 3, Yes. 4, Yes. 5, Yes. 6, It is understood that Mr. McGibbon was appointed auditor at the annual general meeting of shareholders. 7, An auditor might be dismissed for cause by resolution at a general meeting of shareholders. 8 and 9, An auditor is not deemed to be an officer of a company within the meaning and intention of the regulations gazetted 21st January, 1921.

QUESTION—STATE CHILDREN AND CHARITIES.

Mrs. COWAN asked the Premier: 1, Is there any reason for withholding the final report of the State Children Department Royal Commission? 2, If not, will he lay the report on the Table?

The PREMIER replied: 1, No. 2, The report was laid on the Table during last session.

QUESTION—MINING, LOCAL BOARDS.

Mr. TROY asked the Minister for Mines: Having in view the depressed state of the mining industry and the necessity for initiating a vigorous and progressive policy, is it his intention to amend the Mining Act so as to provide for the appointment of mining boards in goldfield localities?

The MINISTER FOR MINES replied: The question of appointing mining boards to act in an advisory capacity only is under consideration.

QUESTION—STATE STEAMSHIP SERVICE.

Mr. Bennett's Services.

Mr. UNDERWOOD asked the Minister for Mines: 1, What work did Mr. Bennett do in England for the State Steamship Service? 2, What was the cost of sending him to England? 3, Is he still employed by the State Steamship Service, and, if so, on what conditions?

The MINISTER FOR MINES replied: 1, Mr. Bennett was primarily sent to England to confer with ship designers in the preparation of the design of a vessel to suit the varying requirements of the Western Australian coast, both in navigation and in traffic, as it had been found impossible to properly instruct the designers in regard to these special local conditions by correspondence. His presence in London was also taken advantage of in connection with the alterations to the m.s. "Kangaroo" to fit her for the work laid down for her on and from the Western Australian coast. 2, The total cost (including salary) was £977 0s. 6d. 3, Mr. Bennett is still employed by the State shipping service as a part time officer, in the capacity of superintending engineer, and is paid £125 per annum for this work.

QUESTIONS (2)—INDUSTRIAL DISPUTES.

Bread Supply.

Mr. McCALLUM (South Fremantle) [4.50]: Notice of a question stands in my name on the Notice Paper, as follows:—

To ask the Premier: In the event of the master bakers of the metropolitan area carrying out their threat of refusing to supply bread according to the laws of the State, and, further, in the event of the workers' unions agreeing to man the bakeries to meet the needs of the public, will the Government guarantee the workers the same protection as was extended by the Government to the proprietor and licensee of the Esplanade Hotel?

I draw your attention, Sir, to the fact that this question is not worded as I originally handed it in, and that it does not convey my full meaning. The last sentence, which has been struck out altogether, was as follows—

Even to the extent of armed forces, barbed wire entanglements, and if necessary a field ambulance, and the attendance of nurses?

I should like to know how it is that this question does not appear in the form in which I gave notice of it?

Mr. SPEAKER: I would draw the hon. member's attention to our Standing Orders. Standing Order 106 reads as follows—

If any Notice contains unbecoming expressions, the House may order that it shall not be printed, or it may be expunged from the Notice Paper, or amended by order of the Speaker.

That Standing Order has been carried into effect ever since I have been a member of this Chamber. It is also supported by "May," although no support is needed, because our Standing Orders speak for themselves. "May," 12th edition, on page 217, says—

As the Notice Paper is published by authority of the House, a notice of a motion or of a question to be put to a member, containing unbecoming expres-

sions, infringing its rules, or otherwise irregular may, under the Speaker's authority be corrected by the clerks at the Table. These alterations, if it be necessary, are submitted to the Speaker, or to the member who gave the notice.

That is the reason why the question originally asked was altered.

Hon. P. COLLIER (Boulder) [4.53]: May I be permitted, Sir—

Mr. SPEAKER: I cannot allow any debate on this question.

Hon. P. COLLIER: I am aware that this is not the stage when the matter may be discussed. The whole question, however, turns upon the interpretation that may be placed upon the sentence referred to as being an "unbecoming" expression.

Mr. SPEAKER: The hon. member cannot deal with that now. The remedy of the member for South Fremantle lies in moving a substantive motion upon this question. I cannot permit it to be dealt with at this stage.

Hon. P. COLLIER: It is rather unfortunate that the incident should have arisen in connection with a new member, who can hardly be expected to take the extreme step of moving a special motion dealing with the matter.

Mr. SPEAKER: Does the member for South Fremantle ask the question as it stands on the Notice Paper?

Mr. McCALLUM: I want to know if I can at this stage give notice to disagree with the action which has been taken?

Mr. SPEAKER: The hon. member has the right to give notice of motion that he will move in the ordinary way, and the matter will then be open to debate like any other question. I cannot allow any debate at this stage.

Mr. McCALLUM: May I give notice of motion?

Mr. SPEAKER: Yes.

Mr. McCALLUM: I will wait until the remaining questions appearing on the Notice Paper in my name are dealt with. I now submit the question the subject of my remarks.

The PREMIER replied: Government protection will always be extended to any section of the community illegally oppressed.

Esplanade Hotel.

Mr. McCALLUM (South Fremantle) [4.54]: Notice of a question stands in my name on the Notice Paper as follows:—

To ask the Minister for Mines: 1, What has been the cost to the taxpayers of this State for the police protection afforded the proprietor and licensee of the Esplanade Hotel in the recent disputes? 2, Were the arrangements of the police force at the Esplanade Hotel, Perth, on Sunday, 26th June, initiated at the request of any per-

son, and if so, who was the person in question? 3, Does the Minister approve of the use of armed forces in connection with industrial disputes, and did he sanction the display of force at the Esplanade Hotel on the 26th June?

I have the same grievance in connection with this question as I had in connection with the other question. It has not been printed in the form in which I asked it, and it does not convey my full meaning. It has been altered in paragraph 1 by striking out the words "in their efforts to supplant white labour by Asiatics" and inserting "in the recent disputes." In paragraph 2 the question has been altered by striking out the words "war-like arrangements, including armed forces, barbed wire entanglements, field hospital, and the parading of the police force in battle array displayed," and by inserting "arrangements of the police force." This alteration affects the whole meaning of the clause so far as the question I desired to ask is concerned.

Mr. SPEAKER: The question was altered by me.

Mr. McCALLUM: Why was it altered?

Mr. SPEAKER: For the same reason that holds good in the case of the other question.

Mr. McCALLUM: I will ask the question as it now appears on the Notice Paper.

The MINISTER FOR MINES replied: 1, £43 for sustenance allowance. ., A request was made for the services of the police to protect life and property by the proprietor of the hotel. 3, No. I was absent from town and was not referred to, but the Commissioner of Police is held responsible at all times, and under all circumstances, to protect the lives and property of His Majesty's subjects. From a police point of view, however, no display was made.

NOTICE OF MOTION.

Amendment of Questions.

Mr. McCALLUM (South Fremantle) [4.58]: I gave notice of another question which does not appear at all on the Notice Paper. This was a question I desired to ask of the Premier as follows:—

In view of the frequency with which armed forces have of late been called into industrial disputes, is it to be taken as the set policy of the Government to take sides with employers, and prepare to shoot down workers who may be in dispute with their employers?

That question does not appear on the Notice Paper at all.

Mr. SPEAKER: The other questions given notice of by the hon. member were amended, but this question was struck out altogether.

Mr. McCALLUM: Why?

Mr. SPEAKER: For the reason that I gave in the other two cases.

Mr. McCALLUM: I desire to give notice that at the next sitting of the House I will move the following motion—

That the Speaker's action in mutilating and amending notices of questions and withholding notices of questions from the Notice Paper is a wrongful interference with the rights and privileges of members of this House.

QUESTION—NOTICE OF MOTION.

Mr. PICKERING (without notice) asked the Premier: Will he treat the notice of motion, calling for all papers in connection with Millar's concessions, including the personal file of the Conservator of Forests, as formal, and lay the papers on the Table of the House forthwith?

The PREMIER: I have no objection to treating the first portion of the motion with regard to the extension of leases to Millar's as formal and to laying the papers on the Table of the House. I have, however, an objection to producing the personal file of the Conservator of Forests unless upon very good grounds indeed. I do not think the personal file of any officer should be lightly asked for, or that it should be laid on the Table of the House without good grounds being shown for so doing.

SITTING DAYS AND HOURS.

On motion by the PREMIER, ordered, That the House, unless otherwise ordered, shall meet for the despatch of business on Tuesdays, Wednesdays, and Thursdays at 4.30 p.m., and shall sit until 6.15 p.m., if necessary; and, if requisite, from 7.30 p.m., onwards.

GOVERNMENT BUSINESS, PRECEDENCE.

On motion by the PREMIER, ordered, That on Tuesdays and Thursdays Government business shall take precedence of all Motions and Orders of the Day.

COMMITTEES FOR THE SESSION.

The PREMIER (Hon. Sir James Mitchell—Northam) [5.3]: I move—

That Sessional Committees be appointed as follows:—

Library Committee—Mr. Speaker, Mr. Simons and Mr. J. McC. Smith.

Standing Orders Committee—The Speaker, the Chairman of Committees, Mr. Durack, Mr. Money, Hon. F. Walker.

House Committee—The Speaker, Mr. Harrison, Mr. Mullany, Mr. O'Loghlen, Mr. Teesdale.

Printing Committee—The Speaker, Mr. O'Loghlen, Mr. J. McC. Smith.

Mr. O'LOGHLEN (Forrest) [5.4]: As a member of the late House Committee and one who has been nominated for a seat on the new House Committee, I would like hon. members, before the motion is passed, to define the functions of that Committee. I am not going to deal with the other Committees, but with regard to the House Committee, I want to emphasise the fact that the position of the members on that Committee is a very unsatisfactory one. What I would like the House to do is to give the members of the House Committee directions. It is a considerable time since I was first appointed to the House Committee, but I have not been able to find rules for the guidance of members who occupy seats on that Committee. Apart from the temporary rules in regard to the conduct of the dining-room, there is no set policy under which the Committee can work, with the result that we have developed the position that two men control the whole of the functions of this House.

Mr. McCallum: Who are they?

Mr. O'LOGHLEN: Mr. President and Mr. Speaker. I have not been a member of the House Committee since the 12th March, although I was returned unopposed for my electorate, while the Speaker also had a walk-over. I am not quarrelling with the fact that Mr. Speaker has remained on the Committee as Chairman, but what I wish to point out is that since the 12th March, the Committee has consisted of the President and the Speaker. As I said, I am not quarrelling with that. You, Mr. Speaker, may be quite right, but I am prompted to ask hon. members to define the functions of the Committee, and in doing so I have in mind a couple of incidents that have taken place in connection with the work of the House Committee, and in regard to which I think all the members of that Committee should have been consulted. We are told by Mr. Speaker that this end of the Chamber to the corridor is under his control, while the other end of the Chamber, again to the corridor, is under the control of the President, and that the Committee has control of the corridor and the dining-room, which are in between. If that is right, there is no utility in appointing a House Committee, and I shall refuse to become a member of it. It is ridiculous for a body of men to troop along once a fortnight to attend meetings of the House Committee merely for the purpose of passing accounts. If they are not going to give effect to members' aspirations they should not be appointed to seats on that Committee. Let me quote a couple of incidents which have recently occurred. As a member of the Committee I contend that the Committee should have control not only of Parliament House but the grounds as well. As a matter of fact you, Mr. Speaker, will recollect that at one time there was a proposal before us to tear away the fence and the hedge from around the grounds. It is a modern idea and a good one to have no restrictions in connection with grounds such

as these. The only reason why the fence and the hedge were not removed was that these grounds are peculiarly situated; they are undulating and the grass in consequence is not too well rooted, and it was feared that heavy pedestrian traffic might have the effect of rendering the ground unsightly. That was the reason why the hedge and the fence were allowed to remain. During recent months, at the instance I understand of the Minister for Works, after consultation with you Mr. Speaker, the gates have been locked at night. We are told that alarm clocks are to be installed to keep the caretaker up to his duties. Night after night now the gates around the House are locked. I suppose the Minister will advance as a reason some trouble that arose over a former caretaker, and that it was found necessary to appoint another one. My contention is, however, that the Works Department has nothing whatever to do with the grounds attached to Parliament House. In the past hundreds of people living in West Perth were able to facilitate their walk to the city by going through these grounds. Now, however, they are not able to do so after certain hours, and the locking of the gates throws an aroma of suspicion which is not justified. What argument can be advanced for locking the gates, and possibly following that action by bringing in a curfew law? If the grounds were extensively used by people who had no right to use them, I could understand the restriction, but I have it on the authority of the people who reside on the grounds that they have never seen one person within those grounds at night time who was not entitled to be there. I suppose that the Speaker or the Minister for Works will put forward some suppositions arguments in favour of the locking of the gates. I, however, fail to see that there can be any reason for locking the gates in view of what the House Committee thought at one time of doing, namely to sweep away the fence and the hedges. The locking of the gates is a foolish proposition, carried out on the instructions of a man who perhaps acted on insufficient evidence. Another point that I wish to refer to while the motion is before the House is the lack of accommodation for members in this building. Everyone knows that when a constituent comes to see a member he cannot be taken into any room so that the business that may have to be transacted can be discussed. I recognise that that is not the fault of the Speaker. We should have more accommodation here. The only room that was available has been given to the Leader of the Opposition. No one will quarrel with that. The Leader of the Opposition is entitled to a room, but the methods adopted by Mr. Speaker in furnishing that room are open to censure. I do not know whether you, Mr. Speaker, originated the idea, but it does seem to me that in the expenditure of money in this building you make it appear that it is your own money you are spending instead of that of the country. While I will always support thrift and assist in the exercise of

caution, I have no desire to do anyone an injustice. We should not go in for tawdry economy when a decent thing can be accomplished. Any member who has visited other Houses of Parliament in Australia knows that ours is a poor old institution in comparison with the others.

The Minister for Mines: You have not seen the President's room in this House.

Mr. O'LOGHLEN: That is all right, but when it was a question of getting furniture for the room of the Leader of the Opposition, the Speaker did not go to the President's room to pinch furniture from it. Would hon. members approve of such a course?

The Minister for Mines: I think so. I would pinch some of it.

Mr. O'LOGHLEN: The point is that in furnishing the Leader of the Opposition's room, you, Mr. Speaker, robbed our room. We have a Party room in this House which, to-day, is the most inhospitable room in the building, because we have no furniture in it. It is increasingly necessary for us to attend there to cope with the nefarious schemes which are hatched by our opponents, but you, Mr. Speaker, did something there you were not entitled to do, and I want to know from the House whether you yourself have the right to control this end of the building, or whether you should act in consultation with the members of the House Committee appointed by Parliament. It was wrong to seize the furniture in that room in order to furnish the room of the Leader of the Opposition. Even if we have a deficit, are we so stony broke that we cannot purchase a little furniture? Must we go to other rooms and steal some from one and a little from another? Then again, another room had to be furnished in this building. I do not think it has been elaborately furnished. At any rate it was not furnished by buying new furniture. Why not therefore buy new furniture for the room of the Leader of the Opposition? If you, Mr. Speaker, were so desperately anxious to have the room of the Leader of the Opposition furnished better than ours, why did you not go to the President's room and help yourself to some of his furniture, or better still why did you not take some of the surplus furniture out of your own room? Where 15 or 20 members have a room set apart for them in which to transact their business, there should certainly be more than half a dozen chairs, and it should not be incumbent on them to have to run around picking up chairs from where they can be taken. I again repeat that you, Mr. Speaker, had no right to rob that room of furniture. If you wanted to make a good fellow of yourself you should have robbed your own room.

The Premier: Or my room.

Mr. O'LOGHLEN: Mr. Speaker was not justified in taking the furniture out of any room. If he had intended to do a bit of commandeering, he should have consulted the Committee, and then all the members of it would have been in the joke.

The Minister for Mines: What is the penalty for taking the furniture from one room and putting it into another?

Mr. O'LOGHLEN: My complaint is that we are following lines of false economy. A matter of a few pounds would have been sufficient to do justice to the room of the Leader of the Opposition, but the Speaker did exactly the opposite. Perhaps the Speaker acted with the best motives, but before I accept a seat on the House Committee, I would like to receive an expression of opinion from members as to what the functions of that Committee are to be. Is it intended that the members of that Committee should control the business of the House? We should have control over the grounds and over the furniture as it is to-day. The Committee should have been consulted. If there is economy to be practised or if there is expenditure to be incurred, the Committee should be consulted in the matter. If not, we should abolish the Committee, for there will be no necessity for it. In those circumstances, the Speaker could decide what was required from his own end of the Chamber and the President could exercise control at his end of the building and they could decide what was required right through. I do not intend to labour this question as it is not a very dignified matter to discuss on the floor of this Chamber. It is the only opportunity, however, that presents itself to deal with this matter and, at the present time, we as a Committee are shorn of all power. It may be urged that previous Speakers have adopted the same practice. That may be right or it may be wrong, but I have failed to find rules under which we are supposed to work. They are not in existence, consequently, we are entirely in the hands of the Speaker. Mr. Speaker has closed these gates after consultation with the Minister for Works and he has acted in connection with the room of the Leader of the Opposition off his own bat. In these circumstances I do not see the necessity for the House Committee. I ask the House to define the position and functions of the House Committee.

Mr. SPEAKER [5.17]: As the member for Forrest has made an attack principally upon me, before members attempt to discuss this matter, it may be well for me to place certain information before the House. I have not departed in any one particular, so far as the control of this House is concerned, from the practice of former years. The House Committee in the past acted in exactly the same way as the House Committee acts at the present time. The House Committee controls the vote on the Estimates which is set down for the Joint House Committee and they look after the matters connected with the refreshment rooms, cleaners, typists, and so on.

Mr. Pickering: And members' stamp balances.

Mr. SPEAKER: I think that is included in their functions as well. We have had

Leaders of the Opposition in this House for the past 17 years and this is the first time that ever a Leader of the Opposition had had a room. The present Leader of the Opposition spoke to me about the necessity for a room some two years ago. During the progress of last session, I realised that he should have a room, and after some considerable difficulty I made arrangements whereby he could have the room which had been formerly used for Select Committee purposes. I have made arrangements for future Select Committees appointed by this House to sit elsewhere. The President has consented that when the Select Committee room at his end of the building is not in use, it will be available for use by Committees appointed by this Chamber. When Select Committees are sitting in both Houses, I have arranged for a room for our Committee elsewhere. The furnishing of the room which has been provided for the Leader of the Opposition has not yet been completed.

Hon. P. Collier: Hear, hear!

Mr. SPEAKER: The Leader of the Opposition knows that is the position. I have not removed any furniture from the room unless it be the chairs which were required for the accommodation of the public on Thursday last, the opening day of Parliament. Those chairs are in the building, and if members of the Opposition want to hold a meeting in a room, they can have the chairs brought in.

Mr. O'Loghlen: What about the cushioned chairs and the couch?

Mr. Corboy: That was the only furniture in the room.

Mr. SPEAKER: There was nothing taken out by me. There was only a table and chairs and a couch in the room. The couch was in the room for the Leader of the Opposition.

The Premier: That is more than you have done for me.

Mr. SPEAKER: I do not know whether members will agree with me, but I think the Leader of the Opposition should have a room and, with considerable difficulty, I arranged for him to have that room. During the past 17 years, when Leaders of the Opposition have carried out duties as important as those of the present Leader of the Opposition, no Speaker made any attempt to supply that want until I took the matter in hand and provided the room for the member for Boulder.

Mr. O'Loghlen: You should not have taken furniture from the members' room.

Mr. SPEAKER: The member for Forrest accused me of stealing. I think that is what he meant by his reference to "pinching."

Mr. O'Loghlen: You know you took the couch.

Mr. SPEAKER: We have had the Opposition room for years and I do not know that members of the Opposition require a couch to lie on, when they desire to hold a meeting. The Leader of the Opposition is hard worked and has to sit for hours dealing with

Bills. I do not know if members hold the same opinion, but I think that he requires the consideration which has been extended to him. So far as the locking of the gates is concerned, I have had numerous complaints brought under my notice. I do not want to go into any of those complaints at the present stage, but I can inform members about them if they so desire. The complaints, however, were sufficient to indicate to me that it was necessary that the gates should be locked.

Mr. Underwood: Who conveyed those complaints?

Mr. O'Loughlen: An elderly gardener who is not here.

Mr. SPEAKER: The Public Works buildings are controlled by the Minister and he has a gateway leading in from his part of the grounds. I asked him if he would lock his gate as, unless he did so, there was no advantage in locking the other gates around the grounds. At the Water Supply corner, there is another gate, and I asked the Minister to close that as well. Regarding the tell-tale clocks, which have been mentioned, I have never spoken to the Minister concerning them, but, so far as I know, they are there in order that the night watchman may punch the clock at various times during the night to show that he is walking around the building and is not asleep. That is all there is in that aspect. The grounds around Parliament House are still controlled by the House Committee.

Mr. O'Loughlen: Why was not the House Committee consulted before the gates were locked?

Mr. SPEAKER: I took that matter upon myself.

Mr. Corboy: That is the complaint which has been made against you.

Mr. SPEAKER: I am not prepared to go further into the nature of the complaints which were made to me, but they were sufficient to justify the closing of the gates.

Mr. Underwood: There was nothing brought under your notice which should result in that being done.

Mr. SPEAKER: Let me give hon. members a case in point. The gates are open from early in the morning till eight o'clock at night. Some six weeks ago I was speaking to the gardener, when he said he desired to show me some flowers. He took me to a garden bed some 14 feet long and 10 to 12 feet wide, and to his great surprise there was not a flower left in the garden bed. They were all picked and we found one track showing that the one person had taken every flower in that garden.

Mr. Corboy: Evidently the person wanted them or they would not have been taken.

Mr. O'Loughlen: You are not looking at me, Mr. Speaker, are you?

Mr. SPEAKER: I asked the gardener how such a thing could occur and he pointed out that the gates were not locked till eight o'clock, and that a lot of people could come in and take them without anyone knowing about it. That is an absolute fact. Members

are not about these premises as much as I am, and they do not know what things are happening. The locking of the gates was absolutely justified, and so far as the tell-tale clocks are concerned, that is a matter affecting the Public Works Department and has nothing to do with Parliament House. The present position of Parliament is exactly the same as that obtaining at the mother of Parliaments, the House of Commons, and at nearly every Parliament throughout Australia. The Speaker controls the Legislative Assembly end and the galleries and the floor of the House, together with the corridor and the part of the building behind the Chamber. The President controls the corresponding portions of the building at his end, and the House Committee operates where there is any money to be spent, and that is in the refreshment rooms and in connection with those concerned in that work.

Mr. O'Loughlen: And in connection with the grounds.

Mr. SPEAKER: Yes, the House Committee have always had control of the grounds. Regarding the grounds, the member for Forrest did not exactly state the facts. The grounds are gazetted as a Class A reserve. Some arrangements were made by a former member for Perth whereby under a regulation the Council was to be handed over 16 feet on the Hay-street frontage, the George-street frontage, and also the Malcolm-street frontage. We raised a protest against that, and two or three years ago we found that even then they had authority to act, and the City Council sent men to pull the fences down. This happened since I have been Speaker. I was at the Perth Public Hospital at the time and I told the then secretary of the House Committee to instruct the men to cease operations at once. I came up to the House and I stopped the men from pulling the fences down. They were prepared to drag the fences down without ceremony, but in any case the regulation was not carried out on that occasion. The House Committee are perfectly satisfied to keep the grounds intact.

Mr. Underwood: The City Council did not send a man along to improve the condition of Harvest-terrace.

Mr. SPEAKER: No, but they wanted 16 feet of our ground all round the block to make another roadway and yet they have not spent one shilling on Harvest-terrace in front of the House. The Government of this State made Harvest-terrace 17 or 18 years ago and not one penny has been spent by the Council except that which has been involved in sending carts along to rake up the stones which become loose, and take them away to crush for use in other parts of the city. If we want greater powers, we should curb the powers of the City Council. I hope the explanation I have made concerning the furnishing of the room for the Leader of the Opposition will be accepted, but it makes one feel dubious about helping anyone when, under such circumstances as I have outlined,

these complaints arise, and the only mistake I have committed from their standpoint is taking a couch from the Opposition room and placing it in the room of the Leader of the Opposition.

Mr. O'Loughlen: You might have taken one out of your own room.

Mr. Corboy: Why did you not buy one?

Mr. SPEAKER: I did not feel disposed to buy one.

Mr. Underwood: The Ministerial members' room has no couch in it.

Mr. SPEAKER: That is so, and that is a bigger room by far. If I remember rightly I put that couch in the Opposition room two years ago for the use of the Leader of the Opposition when I realised the work he had to do.

Mr. O'Loughlen: It was put there before you became Speaker.

Mr. SPEAKER: No, it was not. I think I put it there. I trust, however, that I have made the position clear to members.

The PREMIER (Hon. Sir James Mitchell—Northam) [5.28]: I agree that the position of the House Committee should be defined. It is not a matter for rules, but I think it is a matter that should be decided by this House. The House might well consider the position as it stands to-day. The position here is not quite as it is elsewhere. Custom has established a practice which has been followed. Members should be considered and Ministers should be considered, just as the Leader of the Opposition also should be considered. There is no doubt that this is a most uncomfortable building. I have a room and I do not know that I want any luxury. I use my room a good deal, as also do Ministers, and I do not think that if a photograph were taken of that room as it is furnished at present, it would create any great interest. The people who control the centre of this building should be satisfied. Those controlling the cooking and dining room deserve our very best thanks. This building and these grounds are within the keeping of members. I am entitled to ask these committees to do the work expected of them, but I do not wish to take up that attitude. If this Committee is to be appointed, it should have the power. We cannot say just how the power should be placed and just what rules should guide the Committee.

Hon. P. Collier: Why not spend a little money on furniture?

The PREMIER: I think we ought to determine just what the control by the Committee should be. It would be better to have rules to govern the situation. The Committee, at its first meeting, I suggest, might draw up rules and submit them to this House and the House could approve or disapprove of them. The House, of course, has control, and I think the House might well define its wishes very clearly. The comfort of the Leader of the Opposition and of Ministers, and of every member, should be considered. If a Minister wishes to consult the Solicitor

General, he has to borrow the room of the Clerk or the Clerk Assistant.

Hon. P. Collier: If anyone calls on public business we have to take him out into the street.

The PREMIER: If any member wishes to use a telephone he has to use the public telephone. I can quite understand members wishing to converse in quiet over the telephone, and to have a room in which they might interview their constituents, and we should see that these conveniences are provided.

The Minister for Mines: When we have distinguished visitors and want to entertain them, we are under an obligation to the Council.

The PREMIER: Then there is the question of the proper care of the building. The Committee, at its first meeting, should draw up suggestions for the consideration of the House. Then we could get control such as the House would understand and approve.

Mr. O'LOGHLEN (Forrest) [5.32]: I understood you to say, Mr. Speaker, that the grounds are under the control of the House Committee. Perhaps it was an oversight on your part, then, that you did not consult the Committee before you did that foolish thing of locking up the gates.

Mr. SPEAKER: I thought it was not necessary to consult the Committee on that point at all.

Mr. O'LOGHLEN: So long as the Committee can review that matter at its next meeting, and alter it, provided a majority favours an alteration, I am satisfied. As to the question of defining the Committee's position, if the member for Menzies (Mr. Mullany) had been here to-day, he would have been even more emphatic in drawing attention to the unsatisfactory position which prevails at present.

Mr. SPEAKER: I cannot allow you to make a further speech.

Mr. O'LOGHLEN: I have nothing more to add.

Mr. SPEAKER [5.33]: I regret that members do not know more about the business affecting the control of the House. This House ranks as one of the public buildings. The Public Works Department has a vote for the repair and upkeep of public buildings, and all external work, such as painting and renovating, comes out of that vote. Six or seven years ago—the member for Mount Magnet (Mr. Troy) should remember this—when we were going through the Estimates, £200 for furnishing was struck off the vote of the House Committee. The Minister for Works put up the case that there was a furnishing department in the Government already and that, if the amount of £200 were struck off, that department would do the furnishing. The House struck off the item on the motion, I think, of the present Minister for Works when he was sitting in opposition. I think the then member for Guildford was the

Minister in charge at the time. The understanding, however, clearly was that the furnishing would be done by the Public Works furnishing department. Members know that there is no chance to provide any further accommodation in the building for anyone. Some years ago £15,000 was put on the Estimates to complete this end of the building and the amount was passed by the House. That was when the late Hon. Frank Wilson was Treasurer. But unfortunately none of the money was spent, and at the close of the financial year, the vote lapsed. I was on the House Committee at the time, but was not the chairman, and I persevered to get that amount expended, but there was no result. Members should realise that this building cannot be altered unless it is continued on the plans laid down by the architects. I am pleased to hear the Treasurer say that there is not sufficient accommodation. I hope he will place £25,000 or £30,000 on the Estimates now to provide the additional accommodation required.

Mr. Troy: I hope he will not.

Mr. SPEAKER: What could have been done for £15,000 at that time will cost £35,000 now, but I want members to realise that this is the only way of improving the accommodation of the House.

Mr. Troy: The Treasurer has no hope of getting such a sum voted.

Question put and passed.

BILL—SUPPLY (No. 1), £1,640,320.

Standing Orders Suspension.

The PREMIER and TREASURER (Hon. Sir James Mitchell—Northam) [5.36]: I move—

That so much of the Standing Orders be suspended as is necessary to enable resolutions from the Committees of Supply and Ways and Means to be reported and adopted on the same day on which they shall have passed those Committees, and also the passing of a Supply Bill through all its stages in one day, and to enable the business aforesaid to be entered upon and dealt with before the Address-in-reply is adopted.

Question put and passed.

Message.

Message from the Governor received and read recommending appropriation in connection with the Bill.

Chairman of Committees, Election.

The PREMIER and TREASURER (Hon. Sir James Mitchell—Northam) [5.37]: As it will be necessary to go into Committee in connection with this authorisation, I have pleasure in moving—

That the member for Wagin (Mr. Stubbs) do take the Chair as Chairman of Committees.

Question put and passed.

In Committee of Supply.

The House having resolved into Committee of Supply, Mr. Stubbs in the Chair,

The CHAIRMAN: I desire to thank hon. members for the honour they have conferred upon me in placing me in this position. I shall endeavour to do my duty to the best of my ability, and I hope that I shall give satisfaction to hon. members.

The PREMIER and TREASURER (Hon. Sir James Mitchell—Northam): Before proceeding to deal with this Bill I am reminded, by a notice which appears in this morning's paper, of the death of a man who, not long since, stood in the Parliament of Queensland, as I stand here to-day, asking for Supply. I refer to the death of Mr. Ryan. Though we differed very widely in our politics, I must say that I knew Mr. Ryan as a man possessed of a very charming personality. I noticed that Sir Joseph Cook, in speaking of Mr. Ryan, said, "I shall always think of him as a generous and able political opponent." Mr. Ryan, though a comparatively young man, had been in public life for some time, chiefly in Queensland. As I stand here to-day, I cannot but realise how short life is, and how death is ever amongst us. In presenting this Bill, I must express regret that the financial position is not brighter. I shall explain to the Committee precisely the difficulties which have confronted us, and I shall do so at much greater length than usual because of the presence of so many new members. I would like to point out, particularly for the benefit of new members, that our system of stating revenue and expenditure is wrong. What we claim to be revenue is, in reality, not revenue at all. We include as revenue £3,758,689 from business undertakings, which is included in our total collections of £6,789,565, but to earn the former amount it cost us in working expenses £3,145,175, and in interest on invested money £1,300,000, a total of £4,445,175, or £686,486 more than the revenue produced, so that we would have been £686,486 better off if we had not had these business concerns.

Hon. W. C. Angwin: Most of that comes from the railways.

The PREMIER: Yes. Our revenue, therefore, should be really shown as £2,843,534 less loss on these concerns, £686,486, so that our clear revenue ought to be reduced to £2,157,048.

Hon. W. C. Angwin: You do not want to do that. This is a new argument you are putting up.

The PREMIER: It is not an argument. I am merely stating the position, and I regret that in doing so I am irritating the hon. member.

Hon. P. Collier: You will not impress new members with that.

Hon. W. C. Angwin: You are getting very hard up for excuses.

The PREMIER: I am making no excuses. The Government are doing their best in order to make pay the services which the hon. member and his colleagues controlled a few years ago, and I have no need to make any excuses. I would like to point out that the ordinary revenue of the State is sufficient for ordinary expenditure. Our trouble last year, and for some years, has been the loss incurred on invested money. We have borrowed an enormous sum of money which I consider has been well invested, but owing to the depression which has prevailed, we lost last year £686,000 on money invested largely in business concerns.

Hon. T. Walker: But chiefly the railways.

The PREMIER: The important thing is to give consideration to the fact that our loss is in connection with invested money. Most of the loss is in connection with the railways. If we are looking for ways of straightening out this trouble, it is right that we should turn to the proper quarter. I am asking for the usual authority of two months' supply based on the expenditure of last year, plus an allowance for the increases in salaries and wages. When I introduced the Estimates last year, I forecasted, as hon. members will see on referring to "Hansard," a deficit of £399,413, arrived at in this way: For ordinary collections I estimated £2,706,036, and for ordinary expenditure £1,737,239, leaving a surplus under this head of £968,797. From business undertakings I expected to collect £3,733,826, and in that connection to expend £2,831,749, on which basis there would be under that heading a surplus of £902,077, irrespective of interest and sinking fund, of course. From trading concerns I expected £166,542. The net transfers to revenue, therefore, would have totalled £2,037,416. That is revenue which might be used to meet the charges under special Acts, and interest and sinking fund. I estimated that on this expenditure would be £2,436,829, and that thus the year would show a deficit of £399,413. I shall state in a moment just what we did get under the various headings. It is true that on ordinary account we received a revenue exceeding our estimate by £137,498. That excess of revenue was due to increases from taxation, amounting to £150,358, and that ordinary expenditure exceeded our estimate by £177,314, owing to increases of wages and salaries of Government employees under awards and agreements made after the Estimates had been framed. The figures do not, of course, cover the additional expenditure in connection with business undertakings and trading concerns as well as the Railway Department. The actual results achieved were these, and I wish them to be specially noted. I have said that I estimated there would be under ordinary collections a surplus of £968,797. We collected as ordinary revenue £2,843,534. Our ordinary expenditure was £1,914,553, leaving a surplus of £928,981, or approximately £40,000 less than I estimated. From business undertakings we collected £3,758,689,

and the expenditure in connection with these undertakings was £3,145,175. This left us a surplus of £613,514. Taking this £613,514 surplus which we actually received, as against the £902,000 surplus which we expected to have available, hon. members will see there is a difference of, roughly, £298,000—which is really the difference between the actual deficit for the year and the deficit estimated. Trading concerns gave us £187,342, making a total surplus of revenue of £1,729,837. Our payments under special Acts, payments over which we of course have no control, totalled for the year £2,416,563, or about £20,000 less than I had anticipated; and the actual deficit was £687,726. The excess of the actual deficit over that estimated, of £287,000, is almost covered by the railways shortage of £273,000. That is to say, we received from the Railway Department £273,000 less than they expected to give us, the shortage being largely due to circumstances which I shall refer to specially. However, that is the point to be considered. I have stated the principal reason why last year's estimate was not realised. The failure was due in a considerable measure to the strike, and then to the heavy falling-off of railway traffic during the last four months of the year.

Hon. W. C. Angwin: Due to too high railway rates.

The PREMIER: Too high railway rates?

Hon. W. C. Angwin: Yes. People will not travel.

The PREMIER: The following is a comparison of railway estimates and results: revenue, estimated £2,725,000, actual £2,688,611, or a shortage of £36,389; expenditure, estimated £2,189,800, actual £2,427,075, or an excess of £237,275; making a total shortage, as compared with the estimate, of £273,844. Of course this is due very largely to increased wages and salaries paid.

Hon. P. Collier: You covered that increase by increasing railway rates.

The PREMIER: No. I have told the hon. gentleman that, notwithstanding the increases in railway rates, we received £36,000 less than we anticipated. I may just point out too, for the information of hon. members, that as the result of increases in wages and salaries during the last few years the Government are now paying £837,000 per annum more than they paid previously.

Mr. McCallum: Is that one year's increase?

The PREMIER: It is two years' increases, but it is an actual charge. This year we are paying it, and next year we shall be paying it. In the Railways in 1919-20 there were increases under this head totalling £250,000, and in 1920-21 there were similar increases totalling £300,000. This year, therefore, the Government are paying £550,000 more in wages and salaries than they paid in 1918-19, and next year they will also be paying £550,000 more than was paid in 1918-19. That is the position. In fact, including all business undertakings and trading concerns,

the Government are now paying £837,000 more in wages and salaries than was paid in 1918-19.

Mr. Troy: But the charges have been proportionately increased.

The PREMIER: I have explained to the Committee that notwithstanding the compulsory increase in railway rates, we have received less money than we anticipated.

Mr. Troy: Of course. That is always the case.

The PREMIER: We paid away the money which the Arbitration Court fixed as wages. That went. But we did not get the larger returns from the increased freights. The failure to realise that increase in returns was not due to the raising of the freights; there was not the business to be done. To anyone who argues that the Government can pay largely increased wages and salaries without increasing charges, I answer that that cannot be done. Would hon. members argue that the Government can impose a special tax to cover the loss on State trading concerns? Would they argue that?

Hon. P. Collier: You want to turn the system upside down.

The PREMIER: It is upside down now, I suppose?

Hon. P. Collier: There is no doubt about that. It is chaos from one end to the other.

The PREMIER: I thought the hon. member was referring to the earnings.

Hon. P. Collier: I was referring to the railways.

The PREMIER: It is very easy to make statements such as the hon. gentleman has made. I am no railway expert, but I think our railways are as well run as are those of any other Australian State. I have told the Committee that the Government estimated an ordinary expenditure for the year of £1,737,239, whereas the actual expenditure was £1,914,553, or an excess of £177,314, due principally to increased rates of pay granted after the Annual Estimates had been framed. I am sorry to produce so many figures.

Hon. P. Collier: They are quite clear.

The PREMIER: Yes; they are quite clear.

Hon. P. Collier: Especially to new members.

The PREMIER: If they are not clear to the hon. member, I will give him a copy of my figures. The ordinary revenue was estimated to produce £2,706,036, and the actual revenue amounted to £2,843,554, or an excess of £137,518—due to the fact that income tax produced £59,320 more than estimated, and dividend duty £99,969 and totalisator tax £7,447 above the respective estimates.

Hon. P. Collier: You are great on direct taxation.

The PREMIER: On probate duty there was a decrease of £22,593. As regards direct taxation we have not exceeded the proposals of my hon. friend when he was sitting over here. There is still a considerable measure of prosperity among a great many of our people,

with the result that they pay on higher profits and larger incomes than they paid on previously.

Hon. P. Collier: No. You increased the rates.

The PREMIER: The fact of the Arbitration Court increasing the salaries and wages of Government employees by a total of £800,000 per annum has brought under the notice of the Commissioner of Taxation many people who never came there before.

Hon. P. Collier: You brought the basic wage earner under his notice.

The PREMIER: I did nothing of the kind.

Hon. P. Collier: Well, your party did.

The PREMIER: No.

Hon. P. Collier: Before you got in.

Mr. McCallum: The girl getting 15s. a week and her keep comes under the notice of the Commissioner of Taxation.

The PREMIER: Let me say that I did not impose that particular tax.

Hon. P. Collier: That was done in the days when the present Premier was in opposition with us, when he was in good company.

The PREMIER: When he was with you he was in bad company, and when he was with you he proposed this taxation.

Hon. P. Collier: That was not done by your colleague. It was done by your immediate predecessor, when you were in opposition with us.

The PREMIER: Apparently I did not like the company.

Hon. P. Collier: The company was all right.

The PREMIER: This is a statement of the position apart from the business undertakings. I have endeavoured to show that the loss is due entirely to the business undertakings. All I said we would get as revenue we did get as revenue, and all I said we would spend has been expended. There is very little difference between the amount I said we would receive as revenue and the amount we actually received, and there is very little difference between the amount I said we would expend and the amount that we actually expended. Further, I say that the latter difference is due entirely to extra amounts paid to Government employees in the form of increased salaries and wages. Even my hon. friend opposite got no nearer in his estimates. I have paid away more than I estimated; I admit that; but that has been due to increases in wages and salaries granted after last year's Estimates had been framed. I have received £137,000 more than I anticipated, and that fact was due to people paying more taxes because they made more money. I hope hon. members will realise that the position as I have stated it is absolutely correct. The actual loss on the railways for the last financial year, including interest and sinking fund, amounts to £594,964. The expenditure was £2,427,075, the interest £716,500, and the sinking fund £140,000, or a total of £3,283,575; whereas the revenue was £2,688,611,

leaving a deficit of £594,964. I think the House should know that we have to pay sinking fund on the amount invested in the railways, and that the House ought to know just what the result is. I wish to point out why more revenue has not been received. Included in the railways are the other business concerns, on which was expended £3,145,175, while the estimated interest and sinking fund amounted to £1,300,000, or a total of £4,445,175. The revenue was £3,758,689, leaving a debit balance of £686,486, which, of course, is the deficit of to-day. When hon. members are considering what ought to be done in view of the state of the finances, will they please give earnest consideration to this invested money? Because when relief comes it must come through that quarter. Of course we could temporarily arrange to reduce our deficit, but what we have to look for is a permanent cure.

Hon. W. C. Angwin: You should have kept it down year by year.

The PREMIER: It has not increased much since the hon. member's time.

Hon. W. C. Angwin: Only from one million to five millions.

The PREMIER: No. My hon. friend paved the way. However, we must be quite fair. Let us accept the position as it is, and see just what is the cause. It is not a question of who did it. It is not a question of who caused the war.

Hon. W. C. Angwin: But it is a question of relieving the difficulties of to-day.

The PREMIER: If my friend will order that all strikes cease, we shall soon get relief.

Hon. P. Collier: You made no bones about who was responsible when we were there. I have some of your own words to quote.

Hon. W. C. Angwin: So have I.

The PREMIER: We could have stood the loss of extraordinary revenue, and the year would have balanced as I estimated. The railways, as usual, counted on greatly increased revenue during the second six months of the year. Up to the 31st December, after the department had revised its estimates in consequence of the wages award and the increase of rates, it estimated a revenue of £1,300,000. Actually it received £253 more than that. The department estimated to expend £1,134,000, and it actually expended £213 more than that. So it will be seen that the department's estimates were pretty close.

Hon. P. Collier: That was the latest estimate?

The PREMIER: Yes, that was the revised estimate. For the six months from the 1st January to the 30th June the department estimated to receive £1,675,000, and actually received only £1,388,358. That was due to no fault on the part either of the Commissioner or of the department. The expenditure for that period was estimated at £1,395,800, and the actual expenditure amounted to £1,292,862. At the end of February it was

anticipated that the £152,000 loss of revenue due to the strike would be picked up. That anticipation appeared to be fully justified, because the second half of the year is always the better half.

Hon. P. Collier: That was not the actual loss?

The PREMIER: No, that was the loss of revenue. But, instead of this result being achieved, the revenue fell by approximately a further £130,000 short of the revised estimate. In other words, we received less by £280,000 than was anticipated by the department in the last four months of the year. Let me quote the Commissioner's own words as follows:—

Due to industrial trouble, trade depression, partial closing down of flour mills, and a decline in mining and sandalwood production . . . During the last 10 weeks of the financial year, a sudden and altogether unexpected reduction in traffic occurred.

We all know that there has been considerable trade depression.

Hon. W. C. Angwin: Yes, did they not close down the flour mills?

The PREMIER: The flour mills contributed a little. There are many other causes. Money has been very tight, business men have been reducing their stocks, people have not been buying freely. Most people are out on strike against buying. They expect prices to fall, and so trade is not being done. The merchant and the country store-keeper all along the line are reducing stocks. And they are very wise in doing so, because it will have a good effect when we get over the struggle. Trade has very largely stopped.

Hon. P. Collier: All this after five years of National government!

The PREMIER: It would be as sensible in me to land the Leader of the Opposition for the prosperity of two years ago as it is for him to blame me for the trouble of to-day.

Hon. W. C. Angwin: You almost blamed your colleague for the war.

The PREMIER: I agree that nothing wise ever comes from that side of the House, no matter who may be sitting there.

Hon. P. Collier: It is the environment.

The PREMIER: When I was interrupted by the hon. member, I was about to tell the House that, in addition to ordinary trade depression, we have lost by the closing down of many industries, including lead and copper mining, by the reduction in the output of gold, and by the fact that wool is almost unsaleable. The wonder is that the position is not worse.

Hon. P. Collier: Of course it is!

The PREMIER: Economy has been practised in the departments; but in the Railway Department you cannot make economies react as quickly as your trade falls. No man could have foreseen that the trade was going to fall off as it did. During the last four months of the financial year the trade, particularly the high-priced trade, dropped to

nothing. The Commissioner could not have foreseen it; no man could have foreseen it. The Commissioner has endeavoured to effect economies. In March 488,000 train miles were run, and in June 358,000 train miles were run. But, of course, the saving on this 133,000 train miles will not be so very great, because the overhead expenses remain.

Mr. Corboy: It causes a lot of discomfort to the passengers.

The PREMIER: The overhead charges remain, and while the Commissioner may save half or one-third of the cost of train miles by this eliminated mileage, the saving will not be so very great after all.

Hon. T. Walker: Then why bother?

The PREMIER: We must bother. You call out for economies, and when we effect economies, you ask, "Why bother?" When we make a reduction in railway traffic, it means that we are curtailing one of the facilities for trade, for the department provides facilities for people who do the trade. Recently a merchant asked me why we do not knock off the railway service. I said "We cannot do that, for we are providing facilities for trade." If it was suggested that we cut off a part of the line which runs to Albany, or part of the line which runs to the goldfields, I say we cannot do it. That ought to be remembered. No doubt the British coal strike helped to reduce the shipping trade to Fremantle. There has been a tremendous falling off in the shipping tonnage, in consequence of that strike. However, the coal strike is now over. I am only stating the position as it is. I am not seeking to make excuses; I am merely telling the House what has happened. The wheat at country sidings ought to have been carried, and no doubt it will soon be carried, since the ships are now coming back.

Hon. P. Collier: Is that the wheat going to Germany cheaply?

The PREMIER: I do not know that any wheat is going to Germany cheaply. The Minister for Agriculture will be able to tell the hon. member all about that. Whilst hon. members seem to be disinclined to accept the statements I have made, I want them to disprove those statements, if they can. I can almost hear the member for North-East Fremantle telling me how they did it in 1916. He got me on the last occasion, because I had not the figures with me, but I have them stowed away this time, all ready for him.

Sitting suspended from 6.15 to 7.30 p.m.

The PREMIER: There is one other matter I may mention in connection with forestry. Under the Act which we passed 2½ years ago, the Conservator of Forests receives three-fifths of the net revenue; that is to say, three-fifths of the revenue after deducting the expenses incurred in connection with forestry for the year. This year we received £75,000. The expenditure was just under £20,000, which left £55,000 to be divided. On the basis I have mentioned, £33,000 went to

the Conservator of Forests and the remaining £22,000 was paid into revenue. In the old days, of course, the full £55,000 would have gone into revenue. We have spent an enormous amount of money during the past 2½ years in connection with our forests, and apparently the total revenue received from the forests is about £156,000, while the expenditure has totalled £108,000, leaving a balance of some £48,000. Notwithstanding that such large sums have been collected, and paid into the special account on which the Conservator of Forests operates, there is now a balance of about £5,780 at the Treasury. I do not know just what has been done with the money which has been expended in connection with the forests, but it is an enormous sum to be spent on forestry in so short a time. I mention this point because this money is taken away from the revenue.

Hon. P. Collier: There is a lot of leeway to make up in regard to our forests, and the work naturally costs money.

The PREMIER: Only time will restore our forests and replace the timber which has been taken out. It is for the House to consider whether this expenditure is warranted in the way in which it is being expended. I do not know what is being done. I do know that the House approved of the working plan in connection with the improvements of our forests, but the sum of money involved is a large one, and I think the House should take into consideration whether this money should be expended without a direct vote by Parliament. I have dealt with the revenue statement, and I want to say something regarding the loan position.

Hon. P. Collier: Have you enough to meet the deficit?

The PREMIER: I have got more than the hon. member is ever likely to want.

Hon. P. Collier: You will require a lot considering the way you have started this month.

The PREMIER: As I have already explained, that is due, to a large extent, to the wages and salaries we have to pay now. I might mention that the public debt as at the end of the last financial year was £49,039,667, while the sinking fund has increased to £7,641,564. The net public debt, therefore, is £41,398,103. The increase in the public debt for the year amounted to £2,217,664, and the sinking fund during the year was increased by £792,738.

Hon. P. Collier: You seem to find wonderful virtue in that.

The PREMIER: We are entitled to mention it when we are on this side of the House, although I admit it may look very different to those sitting on the Opposition side. I wish members to understand that if we have gone to the bad on one side of the ledger, we have gone to the good on the other side. The expenditure last year was devoted almost entirely to land settlement and development. The sum involved totalled £2,586,433, and of that £1,694,582 was spent in connection with land settlement and development

in particular. In addition, a considerable amount of money was spent in connection with the metropolitan water supply and sewerage, harbours, electricity supply, and on water supplies for towns. A great proportion of this money pays interest directly to the Treasury. Some of the money invested, totalling £157,233, relates to the trading concerns, and that is not very profitable. About £241,000 of that amount has been spent on work that may not be directly interest producing. Hon. members will remember that we floated a loan in London in January, 1920, for 1½ million pounds. From that loan we paid £318,000 to redeem Treasury bills included in the sinking fund some years previously. They were issued in the time of the member for North-East Fremantle.

Hon. W. C. Angwin: No, they were not; they were issued by Connolly.

The PREMIER: They were issued in the hon. member's time.

Hon. P. Collier: Our borrowing was solid and straightforward.

The PREMIER: I am convinced it was solid and also straightforward, and, I will add, on the whole, wisely spent.

Hon. P. Collier: I am glad to hear you refer to it in that way now.

The PREMIER: I have always said that.

Hon. P. Collier: I don't think that is so.

The PREMIER: Well, I will say it was unwisely spent, seeing that I cannot please you any way. In any case the money I have referred to was used to redeem the Treasury bills I have mentioned.

Hon. W. C. Angwin: When did you redeem those Treasury bonds the Agent General fixed up for you?

The PREMIER: I will inform the hon. member on that point in due course. We have just raised another loan in London amounting to two million pounds on Treasury bills at 5½ per cent. discount plus 3s. per £100 as interest. That means that the interest will come to something less than six per cent. on the total amount. That is very satisfactory, particularly seeing that the term is short. Something was said regarding the authority to borrow. I have authority to borrow £5,366,000. Members may inquire as to what has been done with the two million pounds I have just referred to. The leader of the Opposition has referred to the fact that there is an overdraft in London on account of the sinking fund amounting to £630,000, covering the sinking fund for three or four years ago. That has been recouped out of the two million pounds. Then we have an overdraft of £1,175,000 on the general account. These two items will practically eat up the whole amount. Of the 3½ million pounds we have borrowed, we have paid just over a million pounds off our indebtedness. The leader of the Opposition desires to know what is the cash position. We have altogether in the State to-day about £1,600,000.

Hon. P. Collier: That will last you for a few months.

The PREMIER: Yes, but not for very long.

The Minister for Mines: It will see us through the wet weather, at any rate.

The PREMIER: Members will agree that we have been spending a lot of loan money just at the present stage.

Hon. P. Collier: You have not got the money to do it. It is taking all the loan money to meet the deficit.

The PREMIER: No, very little of it is going in that direction. The deficit seems to trouble the hon. member quite unnecessarily.

Hon. P. Collier: If it would trouble the Premier a little bit more we might have less to bother about.

The PREMIER: I am troubled about the deficit which the hon. member's Government incurred some years ago.

Hon. P. Collier: You are always living in the past.

The PREMIER: As a matter of fact I am dealing now with the deficit of the leader of the Opposition.

Hon. P. Collier: Come down to to-day.

The PREMIER: I am quite willing to do so, but when the member for North-East Fremantle was in office the deficit was less than £500,000.

Hon. W. C. Angwin: We were trying to keep it down. That is more than you are doing.

The PREMIER: We are not endeavouring to hide the position as it is at the present day.

Mr. Underwood: Neither is someone else able to keep down the deficit.

The PREMIER: We do not pretend to be doing that. We admit the position as we find it.

Hon. P. Collier: It is so monumental that you cannot hide it.

Mr. Underwood: That is so.

The PREMIER: I do not know whether the financial genius who has just interjected could do better, but I doubt it. I have already tried to explain how the deficit has been arrived at.

Hon. W. C. Angwin: If the Labour Party had been left in office I am confident that there would not have been the deficit of to-day. There would not have been half of the deficit.

The PREMIER: It is more likely that it would have been 10 millions. It is certain that it would have been very much heavier than it is to-day. Does the hon. member know that where he paid 9s. a day in wages, we have to pay 13s. 4d.?

Mr. O'Loughlen: And you get double fares and freights on the railways and up go charges in connection with public utilities as a whole.

The PREMIER: It means very little.

Mr. O'Loughlen: Every award which is made means an increase in the fares and freights.

The PREMIER: I cannot make the hon. member understand the position.

The Minister for Mines: It should be remembered that £90,000 represents retrospective pay which can never be caught up.

Hon. P. Collier: You are chasing it very hard.

Mr. O'Loughlen: Yes, every time an award is made, up go the fares and freights.

The PREMIER: As I was saying, we have £1,611,000 in cash in the State. Of that amount £630,000 is represented by money in the Savings Bank, and lodged there by the people of this State. We have sufficient, therefore, to carry on for the present. Then, owing to the wise provisions made by the member for North-East Fremantle, we will receive a considerable amount of money through the Industries Assistance Board. It will be quite patent to members who know anything about the country that we have spent a lot of money on preparatory work in connection with the land. We have classified a large area of land for pastoral leases in the North-West, and that has meant a considerable expense. In addition, we have classified a great deal of land in the South-West portions of this State, not in the wet South-West but east of the present wheat belt. A good deal of the money spent on the surveys will be recouped in the end. In order that we may not waste very much time in discussing the finances on the present Supply Bill, I wish to tell hon. members that I hope to present the Budget during the first week in September. The Estimates are now being prepared, and I hope that these Estimates will show that we can get considerably better results from the railways in the future. We must be fair to the Commissioner. He experienced many unfortunate happenings over which he had no control. I hope there will be no strike during this year and that there will be more work for the railways to do. Something will be saved by the amalgamation of the Federal and State Taxation Departments. I hope, too, that there will be some saving in administration. Bit by bit the administration is being tightened up and savings are being effected. It will be said by some members that the Education vote has been increased. All I can say is that the increase in the vote represents increased salaries.

Mr. Underwood: And a whitewashing Commission.

The PREMIER: The hon. member himself went to the Commission and gave evidence.

Mr. Underwood: They whitewashed me, too.

The PREMIER: Thank God for that!

The Minister for Mines: Someone suggested that they ought to have tarred and feathered you.

The PREMIER: The increase in the Education vote is due to the increase in salaries and to the opening of country schools, and not to any new departure in connection with the department.

Mr. Underwood: That is why you are building a new gymnasium in West Perth.

The PREMIER: I know nothing about that.

Mr. Underwood: But I do.

The PREMIER: I had hoped to end the financial year with a deficit of £400,000, and if we had achieved this, we would have done well. Why we did not accomplish that was due, as I have explained, to the loss on invested money and to unfortunate happenings over which we had no control. We must remember that nearly every industry has curtailed operations during the last few months. We have expended less money on public works than ever before, and side by side with this we have to remember that there is work for everybody to do. I do not say that there is work at Kalgoorlie for all the gold miners who desire that kind of work, or in Perth for all the builders who desire that class of work, but there is work in the country, and I have endeavoured, as I told the House last year I would do, to provide work for all. I think I may fairly claim that the whole of the people in this State are more continuously employed than are those in any other State. Here there is opportunity; we are developing—

Mr. O'Loughlen: There is a big number of unemployed for whom nothing but unsuitable work is offering.

The PREMIER: I have already pointed out that we cannot provide work for gold-miners when there is no mining going on or work for carpenters when there are no buildings being erected, but I do claim that we can and do offer work in other directions. We have devoted our attention to this question and I think with some measure of success. I hope the Committee will grant this supply. I have asked for two months Supply, because I hope to get the Estimates passed before very long.

Hon. P. COLLIER (Boulder) [7.48]: Before proceeding to discuss the subject before the Committee, I would like to join with the Premier in expressing my deep regret at the sad death of Mr. Ryan. It was only a few weeks ago in Melbourne that I had the privilege of conversation with Mr. Ryan. He was then in robust health, diligently applying himself to his Parliamentary duties. I think it can be said, regardless of any political differences which might be held by members of this House, that the late Mr. Ryan was a prominent and conspicuous figure in the public life of Australia during the last eight or nine years. He was a man equipped with exceptional endowments; he was a big, kind-hearted Australian whose passing will be a great loss to the public life of this country. I am sure members—and particularly the new members—will feel indebted to the Premier for all the trouble he has taken to enlighten them on the various aspects of finance. The Premier poured out columns of figures, all with the purpose of making the financial situation perfectly clear to new

members, until, I am sure, they must feel somewhat bewildered.

The Premier: You can inform them now, can't you?

Hon. P. COLLIER: The Premier juggled with figures in a wizard-like fashion. He turned them upside down, inside out and round about, always with the object of endeavouring to demonstrate that the financial position of the State is due entirely to circumstances over which the Government had no control. While the Premier was thus handling his figures and always returning to the same point, I was reminded of the lines of Omar Khayam—

Myself when young did eagerly frequent
Doctor and Saint, and heard great argu-
ment

About it and about, but evermore
Came out by the same door as in I went.

That seems to just about sum up the situation.

The Premier: Better than going out by the back window.

Hon. P. COLLIER: After all the Premier's handling of figures, he left the situation exactly where he found it, that is with that door wide open through which the deficit has been passing week by week, month by month, and year by year. First of all, I desire to take the earliest opportunity of protesting against the delay in calling Parliament together. This is characteristic of the haphazard lackadaisical way in which the business of the State is being conducted. Seeing that the last session closed in the middle of December and that the general elections were held on the 12th March, four or five months ago, there is no reason whatever why the House should not have been called together before the end of June.

The Minister for Mines: New members wanted time to read things up.

Hon. P. COLLIER: The Minister apparently is judging the diligence of new members by his own; they did not require time to read things up, because they had read very diligently the speeches made by Ministers on the hustings and so had a good grip of the whole situation. I want to remind the Premier that when his colleague, the Minister for Mines, was leader of the Labour Government, it was our practice to meet the House every year and ask for Supply before we had exhausted the authority which Parliament had granted.

The Premier: Not in 1912.

Hon. P. COLLIER: In every year except one.

Hon. W. C. Angwin: In 1912 we met on the 27th June.

Hon. P. COLLIER: And in every year except 1915. In that year we could not be expected to meet Parliament too early seeing that the axe of execution was awaiting us.

Hon. W. C. Angwin: And the previous session did not close until March.

Hon. P. COLLIER: In that year we met in July. There is no reason why Parliament should not have been called together in June of this year. Now that we are commencing a new Parliament, it would be well if members determined to take control of the finances, and resolved to see that the Government exercise proper control over the finances and that Parliament itself is given an opportunity to carefully and minutely scrutinise all expenditure before granting authority to the Government to expend.

The Premier: Quite right.

Hon. P. COLLIER: Parliament was not called together until the end of July and here we are in the first week of August. Doubtless we shall have the same experience this session as last session, that of a considerable number of Bills being sent forward to another place during the last week or two of the session, a fact which was responsible for many important Bills being lost in another place. Here we are meeting and discussing Supply early in August, and I suppose we shall dawdle along in the usual fashion and then close the session with a good deal of important legislation thrown overboard. I was interested at the way in which the Premier juggled with the term "business undertakings." It is quite amusing to note the prominence which has been given to "business undertakings" in recent years. As a matter of fact, I rather suspect that this policy of putting forward very prominently in the newspaper columns and in the House as well the fact that the financial position of the State is due largely, if not almost entirely, to the loss on the business undertakings—

The Premier: Entirely, not almost.

Hon. P. COLLIER: This policy was adopted during the recent election campaign, and I suspect for this reason, that there does not exist in the mind of the average member of the public a clear distinction between what are known as business undertakings and State trading concerns. So frequently during the time the Labour party were in office did members belonging to the party opposite attribute the whole of the financial troubles of the State to the inauguration of State trading concerns by the Labour Government, that to-day business men and others in the city who ought to be better informed attribute all our financial troubles to the establishment of these State trading concerns. In doing that, they confuse the two things—business undertakings and State trading concerns. So, when the Premier goes to considerable trouble to explain that the whole of the position is due to the business undertakings, and when this is read in to-morrow morning's paper, a very large proportion of the people will conclude that it has been due to the establishment of trading concerns by the Labour Government.

The Premier: I do not wish that they should do so.

Hon. P. COLLIER: I do not accuse the Premier of any ulterior motive whatever, but

there are those, whose influence supports him outside this House, who do endeavour to create that impression. It is not a sufficient explanation of the financial position of the State to say that it is due to the business undertakings. After all, Ministers and the Government are responsible for the control and the administration of those business undertakings. If they permit slack or lax administration of the departments, of course, it is inevitable that the results will be reflected in the profits and losses of the business undertakings. If the Railway Department or any other large department of State is not being controlled in the effective or efficient manner it ought to be, if there is a happy-go-lucky kind of administration which does not apply itself to the efficient administration of that department, of course, the results will be reflected in the financial returns for that department at the end of the year. This, in itself, instead of being an explanation or an excuse, is really a condemnation of the administration of the Government. The plain fact stands out that we have started off this first month of the present financial year with a deficit of £177,000, and just as the Premier claimed that his surplus for June, £218,000, was a record surplus since December, 1910, so I claim that he has started the new financial year with a record deficit, and that it is explained to a very considerable extent by the enormous surplus claimed for June.

The Premier: Oh, no; it is not.

Hon. P. COLLIER: I shall deal with that later. I want to ask the House, and particularly those members representing the Primary Producers' Party here, whether they are content to give that same measure of quiet, loyal, and obedient support to the Government while they see the finances drifting as they are to-day. I am glad that the body which controls hon. members opposite—

Mr. A. Thomson: That is not correct.

Hon. P. COLLIER: I am glad that that executive which exercises such a large measure of control over the actions of hon. members opposite—

Mr. A. Thomson: It does not exercise any.

Hon. P. COLLIER: I shall have no difficulty in demonstrating that it does. I want to know what they are going to do regarding the financial position of the State. Although they claim no responsibility, the executive have lately issued a long, and windy pronouncement in regard to the finances—"The Financial Position," "Attitude of the Primary Producers," "Extravagant Administration deplorable." Although, whoever drafted this refers in every second line to the actions of past Governments as being responsible for the financial position of the State, and it is said that now the Primary Producers' Party has taken a share in the government of the country, they call upon their members in the House to give effect to plank No. 11 of their platform, it is rather strange that this executive has only awakened to the fact that they now take a share in the gov-

ernment of the State, although they have shared in that government since May, 1917.

Mr. Marshall: They have Rip Van Winkle'd since.

Hon. P. COLLIER: For four years they have taken a share in the government of the country, but to-day they say they have now taken a share in it, and call upon their Parliamentary representatives to take the necessary action. I propose to give members of the Primary Producers' Party an opportunity of complying with the definite instructions issued to them by the executive, and of complying with plank 11 of their platform.

Mr. A. Thomson: Very generous of you!

Hon. P. COLLIER: I am always obliging, particularly so far as the hon. member is concerned. I am pleased to see that he is taking his new honours in a cheerful manner, and I hope he will inaugurate his new office by bringing himself into line with the Executive and, at the outset of this Parliament, giving effect to the mandate which has been issued to him.

Mr. A. Thomson: I will do as you tell me.

Hon. P. COLLIER: It is my intention to move that the amount asked for by the Premier be reduced by £50,000. I do this because I want to see this Parliament at the beginning of its career take some definite stand to stop the drift in our finances. The amount the Premier has asked for, for two months, is based on the expenditure for last year. As we know that last year resulted in a deficit of £687,000, it is apparent that the Premier is quite content to start off this year without being able to assure the House that he is going to have better results at the end of the financial year than he had at the beginning. If we are to ask Parliament to give the Government authority to spend an amount of money for the first two months of the year based upon the expenditure of last year, it is quite evident we are starting out with the intention of having a deficit equal to that of last year. That is the attitude—

The Premier: It is not the attitude. Are you going to sack a lot of men from the railways?

Mr. Corboy: They are doing it now.

Hon. P. COLLIER: That is an admission on the part of the Premier.

The Premier: Oh, no!

Hon. P. COLLIER: The Premier sees no hope for the financial year, other than that we should end up with a deficit similar to that of last year.

The Premier: I did not say anything of the sort.

Hon. P. COLLIER: What is the Premier going to do? Is he going to impose additional taxation in order to reduce the deficit? If we set out by reducing the amount asked for by £50,000, that will be equivalent to reducing the expenditure by £300,000 for the 12 months, and will bring us then to a deficit

somewhat approximating that estimated by the Premier last year.

The Premier: If you have a strike a week I do not think you will get through.

Hon. P. COLLIER: Every Government has its difficulties. The Premier searched the whole universe for an explanation of his financial position. He even went as far as London, and roped in the British coal strike in order to do it. There have been strikes and industrial disputes in the lives of other Governments, as well as of this Government. We should at least reduce our expenditure by £25,000 a month. That would bring us apparently to the deficit estimated by the Premier of £400,000 at the end of the year. I remember while the Premier was going round the country during the general elections that he kept on saying, and the candidates supporting him kept on repeating after him, "The estimated deficit for this year is £400,000. We are reducing the deficit by £300,000 each year. Is not that very good for one year?" While he was making this statement the actual deficit, although nine months of the year had expired, was then in the vicinity of £650,000. That did not deter the Premier from saying that his estimate was going to be realised, and that he would end up the year with a deficit of £400,000. We ought to start early and say to the Government that they must reduce their expenditure. I see by the evening paper, which is referring to the Railway Department, that this department is making a serious if drastic attempt to reduce expenditure. I do not know how that will work out. To-night's paper says, "Drastic Curtailment of Suburban Railway Service." "Over 100 trains to be eliminated weekly." This reduction will average about 15 trains a day between Perth and Fremantle, backwards and forwards, and 10 trains a day between Perth and Midland Junction.

Mr. Latham: Do you suggest running the trains if they are not required?

Hon. P. COLLIER: No. If the hon. member will take a journey occasionally between Perth and Fremantle he will soon learn that they are required. If he has to hang on to the straps in the crowded carriages between the hours of 5 and 7 in the evenings, such as other unfortunate passengers have to do—

Mr. Underwood: There are no straps.

Mr. Latham: I have travelled on trains when there have not been 12 passengers in them.

Hon. P. COLLIER: That must have been the last express. Let the hon. member travel during the ordinary hours of the day, and enjoy the wait of one and a quarter hours on the Perth platform before he can catch the train to Fremantle.

Mr. Latham: We have to wait a week if we miss our train.

Hon. P. COLLIER: The hon. member has not some important appointment waiting for him at the other end of the journey, such as men who come to the city have. It is quite

a pleasant thing to wait in the rural areas for a week or so. I have often enjoyed it myself. The suburban railway service is to be curtailed by 100 trains a week. The Premier has placed the whole of the responsibility for the financial position upon the railways. I do not propose to deal to-night with the management of the railways. It is not all that I think it should be. Whilst there may be a cheese-paring policy practised in some directions, as indicated by the reduction in the train service, there are other directions in which I believe extravagance is still continuing in the Railway Department. The Government are in a hopeless and deplorable condition of drift. What an admission the Premier made to-night! After pointing out to the Committee the directions in which trade had stopped here, there and everywhere, he stated that the railway service was showing an enormous loss annually.

Mr. A. Thomson: And yet you object to the Government cutting down the railway service.

Hon. P. COLLIER: Not at all. I might perhaps support the cutting out of some of the privileges the hon. member enjoys in travelling to Katanning now and again.

Mr. A. Thomson: Probably you would cut them out altogether.

Hon. P. COLLIER: With very great advantage to the House. The Premier told us a doleful tale this evening. The railways are losing because the quantity of goods available for hauling has diminished. What a commentary that is on the policy of the party opposite! Four or five years ago they launched out with the policy, to save the State, of "Produce, produce, produce." The result of the operation of that policy of increasing production has left us with a diminished quantity of products, and consequently a loss of tonnage passing over our railway service.

The Minister for Mines: That is not correct.

Hon. P. COLLIER: That is the statement of the Premier.

The Premier: Not at all!

Mr. A. Thomson: It is not borne out by the facts.

The Minister for Mines: We have not lifted it; it is in the country.

Hon. P. COLLIER: The Government have not lifted some of the wheat. There ought to be some compensation in other directions for this decreased production. There has not been increased production in wheat, although we have had good seasons and a good price for it. The policy of increased production should be found in operation along other lines.

Hon. W. C. Angwin: The pool is selling wheat in the Eastern States, and leaving ours here.

Hon. P. COLLIER: Now that we are starting to sell wheat overseas, particularly to Germany, no doubt the railway revenue will benefit accordingly.

The Minister for Mines: You cannot blame me for selling it to Germany. I must carry it.

Hon. P. COLLIER: I do not blame the Minister. The fact is that the State is beginning to speed headlong towards bankruptcy; I do not like using that word. The deficit for July was £177,000. If we were to average it out—I do not wish to do so, because that would not be fair—and I multiplied it by 12, we should have a deficit at the end of the year of two million pounds. That is the rate at which we have started off.

The Premier: Every July is the same.

Hon. P. COLLIER: It has not been as bad as this.

The Premier: I think so.

Hon. P. COLLIER: The deficit for last July was £106,000.

The Premier: There was a civil service strike on.

Hon. P. COLLIER: And the Premier has improved on that by £71,000.

The Premier: We paid away nothing. There was a strike on for three weeks.

Hon. W. C. Angwin: You were receiving nothing.

Hon. P. COLLIER: The deficit of £177,000 this year is largely due to the fact that there were some accounts which ought to have been paid in June but were allowed to stand over.

The Premier: That is not so.

Hon. P. COLLIER: That is why the Government have secured a surplus for June last. A comparison of the figures clearly indicates this.

The Premier: I tell you there was a strike last year.

Hon. P. COLLIER: The Premier has always some excuse to bring forward.

The Premier: A Civil Service strike!

Hon. P. COLLIER: I have never seen a Treasurer who has not had some kind of explanation to offer. Even if there was a strike the party that the Premier leads—not himself—has been in office for five years, and strikes or no strikes each year has been marked by its industrial disputes to just about the same extent as its predecessor. The deficits have run from £652,000 to £705,000 a year, or, in all, the party now in office, during the time they have held the reins of government, have added something like £5,000,000 to the deficit.

Mr. Troy: The Government saved money through the Civil Service strike, thanks to not having to pay salaries.

Hon. P. COLLIER: They should have saved money on that strike, and on some other strikes too. I do not think the Committee would be justified, having in view the parlous condition of the finances, in granting the Government supplies on the basis of last year's expenditure.

The Premier: It has always been asked for on that basis.

Hon. P. COLLIER: Yes, and that is the trouble. So long as members are willing to

vote money to the Government month after month whenever Ministers come down for it, so long will Ministers drift along, without any serious attempt to redeem the situation.

The Premier: That is not so.

Hon. P. COLLIER: That is so; the results show it.

The Premier: We will deal with the Estimates in a month's time.

Hon. P. COLLIER: Yes, we will deal with the Estimates in a month's time. An experience of 15 or 16 years in this House has taught me the value of promises to deal with the Annual Estimates in September. Whilst I do not for one moment doubt the Premier's sincerity, or his desire and anxiety to get the Estimates before the House in September, I know that too many similar promises have been made in the years gone by. All such promises have failed of fulfilment.

The Premier: Oh, no!

Hon. P. COLLIER: Well, very largely.

The Minister for Mines: We got down one lot of Estimates in August.

Hon. P. COLLIER: Yes, and that accounts for the comparatively strong financial position we were in. I have no desire whatever to institute a comparison between the Budgets delivered by the present Minister for Mines when he was a member of our party, and the Budgets that have come before Parliament latterly.

The Minister for Mines: Estimates can be brought down in August.

Hon. P. COLLIER: It can be done, with efficiency. I suggest to the hon. gentleman that he try the Treasury again.

The Minister for Mines: I aspire to nothing of the kind.

Hon. P. COLLIER: The hon. gentleman achieved fame, or notoriety, as one of the first Premiers in Australia to achieve a deficit of £1,000,000.

Hon. W. C. Angwin: "Gone-a-million-Jack."

Hon. P. COLLIER: The hon. gentleman's efforts in that direction have been utterly eclipsed by the efforts of those who followed him at the Treasury. Whilst the hon. gentleman left the Treasury with an accumulated deficit of £1,360,000 as the result of five years' administration—

Mr. Pickering: Mal-administration.

Hon. P. COLLIER: Mal-administration, if hon. members like—in the five years that have followed, exactly five years, that £1,360,000 has been lifted to within £50,000 of five millions, lifted to £4,950,000.

Mr. J. Thomson: Totally different conditions.

Hon. P. COLLIER: Oh, no doubt! We have all kinds of explanations. We have the interest and sinking fund charges kept continually pushed in front of us as being responsible—the interest and sinking fund charges and the business undertakings. But there were interest and sinking fund charges to be paid just the same during the time that the present Opposition spent in office. Those charges were not then accepted as affording

any explanation of the financial situation. The explanation then offered was that the position was due to the incompetence of the Labour Government. Now, however, interest and sinking fund charges are put in the forefront as an explanation of the Government's difficulty. But the plain fact stands out—there can be no escape from it—stands out as prominently as Mount Kosciuszko, that the financial administration of the party sitting on the Government side of this Chamber has been one of the most disastrous in the history of responsible government in Australasia. That is a strong statement to make, but the figures justify its being made.

The Premier: Not so.

Hon. P. COLLIER: Let me ask hon. members whether they think that this State can keep on drifting to leeward at the rate of £750,000 a year? Do they think we live in "Easy Land"? Do they believe that money flows to us from some unknown source? Do they imagine that it does not matter if we go on drifting year after year, until we reach such a position as will be irretrievable?

The Premier: Nonsense!

Hon. P. COLLIER: For the deficit alone which has been funded, we have added to our annual interest charges a sum of about £300,000 per year. The deficit for last year, when it is funded, will mean an addition to our interest charges of £40,000 a year. So that every year, just in order to meet the added interest charge on the deficit, we shall have to impose upon the people of this country taxation to the extent of something like £50,000. If the position was a difficult one from which to recover four or five years ago, how much more difficult is it now, when we have to find this extra £300,000 a year in interest, to say nothing about sinking fund? That is the position. I can remember the present Premier and those who are associated with him, when he and they were sitting on the Opposition side of this Chamber, declaring within these walls that the country was bankrupt, just because the Labour Government had a deficit of half-a-million pounds. And now the Premier says there is no cause for alarm when he has a total deficit of about five millions. Why, in 1914, after the Labour Government had been three years in office, the present Premier gave expression to this sentiment—

The whole speech reveals the hopelessness and stupidity—

I hope the Minister for Mines will not go out for just a minute.

of the gentleman who presides over the Cabinet.

That is, the hopelessness and stupidity of the Premier's present colleague, the Minister for Mines.

The Premier's deficit of £837,000 is a very serious affair.

The total deficit at that time, after three years of Labour rule, was £837,000; and the present Premier then said that that was a

very serious affair. The speech from which I am quoting continues—

The more he gets, the more he spends; the higher the revenue, the greater the deficit.

How applicable are these sentiments to the present Premier himself! The more he gets, the more he spends; the higher his revenue the greater his deficit. Why, last year the Premier had £926,000 more than he received in the previous year—nearly a million pounds more in total revenue than he received in the previous year; and yet he ended up with a deficit of £687,000.

The Premier: Where did he get it from?

Hon. P. COLLIER: During the first year the present Premier has been in office he had £926,000 more in total revenue than was received during the previous year.

The Premier: It was got from the Railways.

Hon. P. COLLIER: Never mind! These are the facts and figures. During the financial year which has just closed, the present Premier's second year of office, the hon. gentleman had £926,000 more than was received in the preceding year.

The Premier: Yes, from the Railways.

Hon. P. COLLIER: The hon. gentleman had nearly two million pounds; he had £1,900,000, additional revenue in two years.

Mr. J. Thomson: Did not a million of that amount go in wages?

Hon. P. COLLIER: We had one hon. member in this Chamber who always spoke in millions, regardless of facts. The Premier did not prove to-night that a million had gone in wages.

Mr. J. Thomson: Yes, he did; £800,000.

Hon. P. COLLIER: Oh well, a couple of hundred thousand pounds is neither here nor there to great financiers. But let me tell the hon. member that as wages increased, so did the Government increase the charges for fares and freights, and for services rendered by the Government. For every service rendered by the Government, whether railway transport, or water supply, or sewerage, or wharfage handling, or what else, the charges were increased in order to meet the increase in wages.

Mr. J. Thomson: Question!

Hon. P. COLLIER: It is not "question." The hon. member interjecting must not guess at these things. I have stated the facts, as I shall be able to demonstrate to-morrow, when I shall give the actual figures as well; I do not wish to do so to-night. I can show to the hon. member, too, that whilst in 1916 the amount received from direct taxation—that is, from land tax, income tax, dividend duty, stamp duty, totalisator tax, licenses, and probate duty—totalled £407,000—that was in the last year that we were in office—the revenue from those same sources in the year just closed yielded to the present Government a sum of £955,000, or about £550,000 more than the Labour Government received in the shape of direct taxation. And this is saying nothing at all about the increases in railway

freights and other charges of which I have spoken. So that I say every avenue for obtaining increased revenue has been exploited by the present Government, who have raised charges everywhere and put up taxation everywhere. Let hon. members compare the amount received from income tax last year with the amount received from income tax in 1916. The amount rose from £91,000 in 1916 to £337,000 last year; and that not because of increased prosperity, not because the people were earning larger incomes and therefore paying higher rates of income tax, but because the incidence of income taxation was enlarged—in many cases income taxation was doubled by the Government that held office just before the member for Northam (Sir James Mitchell) became Premier of this State. These are facts. I would not mind, and I do not think the people of this country would mind, paying additional taxation, or suffering inconveniences in Government services, if they were able to see results in the finances therefrom, if they were able to see at the end of the financial year that the increased charges they had been called upon to pay and the increased taxation they had been called upon to bear were reflected in a financial change, in a slow but steady reduction of the amount of the deficit. In such a case the taxpayers would be satisfied. But I venture to say they are not satisfied when they find that all these increased charges produce no such effect. As the Premier himself has said with regard to his colleague, the Minister for Mines, "the more he gets the more he spends; the greater the revenue, the greater the deficit." In view of a deficit of £337,000, the present Premier, then sitting in opposition, said that disaster had come. His words were—

We have financial chaos, with the Labour Party on the box seat.

That was the position with a deficit of £337,000. But now, with a deficit of about five millions, and with the National Party on the box seat, everything is all right and there is general prosperity, according to the Premier. Some hon. members opposite have been out of the State, and some have been busy in various ways after the general election. In case those hon. members have not had a communication from their executive—

Mr. A. Thomson: No, we have had none.

Hon. P. COLLIER: In that case I just want to read to those hon. members what their instructions are—

That in the opinion of this executive, the continued financial drift of the State, and the failure of past Governments to cope with the yearly increasing deficit, render it obligatory on the part of the Country Party to make every effort to comply with plank No. 11 of the platform, which provides for economical administration of Government departments and economical expenditure of public funds.

So it is not I alone who talk about financial drift, but that great, strong authority, "the

executive," does so too. That executive says there is a financial drift in this State.

In order to help in bringing about the economic reforms necessary to accomplish this object, this executive pledges itself to back up and support the party, and will co-operate with it in the fullest degree in the strict limitation of all expenditure not absolutely essential to the immediate requirements of the State.

Mr. Latham: You will notice that the executive does not say "instruct."

Hon. P. COLLIER: No; that executive usually requests. That executive has no need to instruct. The experience of the past three years has taught the members of that executive that the merest expression of a wish from them invariably secures compliance. The hon. member may be of a stouter calibre than are his colleagues around him, but those of us who have had experience of many of them during the past few years know that the mere wish of the executive is sufficient to command compliance.

Mr. Pickering interjected.

Hon. P. COLLIER: I exempt the hon. member because, of course, he has always shown a spirit of independence.

Mr. O'Loughlin: And that is why he has not been made Honorary Minister.

Hon. P. COLLIER: I have heard that it is so. Before I conclude, there are one or two other matters of immediate concern with which I wish to deal. Before voting supplies, I should like to know from the Premier what, if anything, has been done in regard to the extension of the leases and concessions of Millar's Timber and Trading Company. From what I can gather, it appears that the Government have decided to grant an extension of the leases and concessions of that company on the same terms and conditions—

The Premier: You took a hand in framing the law.

Hon. P. COLLIER: Yes, and I will demonstrate to the Premier that, in so far as I and a majority of the members of the House took a hand in it, it was definitely laid down that any extension of time for those concessions was to be granted only on the same terms and conditions as applied to timber permits.

The Premier: You made the law.

Hon. P. COLLIER: But the Premier is interpreting it. We said that the Executive Council might extend the time.

The Premier: Why did you make the law if you did not intend that it should operate?

Hon. P. COLLIER: We said that the Executive Council might extend the term on one of two lines, but I am informed that it is the intention of the Government to interpret that to mean that those concessionaires and leaseholders are entitled to an extension under existing terms and conditions.

The Premier: That is not so. They must pay the royalty which everybody else has to pay.

Hon. P. COLLIER: But that is not so?

The Premier: Yes it is.

Hon. P. COLLIER: I want the Premier to be perfectly clear on this matter. I do not want any confusion between the conditions which attach to a timber permit and those attaching to a lease or concession. The Premier knows the difference. He knows that one concession, such as Jarrahdale—

The Premier: But Jarrahdale is not being extended.

Hon. P. COLLIER: No, because Jarrahdale was not closed down. But others are being extended. What I want to be clear upon is that they are being extended under the same conditions of royalty payment as apply to timber and sawmill permits.

The Premier: Yes, they are, over the extended time.

Hon. P. COLLIER: Then, if that is so, I want to know what all the trouble is about.

The Premier: Mr. Lane-Poole is the trouble.

Hon. P. COLLIER: This question of the extension of leases has nothing to do with Mr. Lane-Poole. It is for the Executive Council. I do not see why Mr. Lane-Poole should come into it at all. The terms and conditions are entirely a question for the Executive Council, and not for a Government officer.

Mr. A. Thomson: Are you in favour of Millar's getting an extension?

Hon. P. COLLIER: Yes; I said at the time that I had no objection to an extension of the leases covering the period over which they were compulsorily idle because of the war; but not under a lease rent, as at present. Any extension should only be on the same terms of royalty payment as applied to timber permits or sawmill permits. That was clearly understood by the House; I know, because I have taken the trouble to consult "Hansard." If the Premier will assure me that those are the conditions under which the leases and concessions are being extended, I shall be satisfied.

The Premier: I assure you of that. And, further than that, the royalty is fixed by the Conservator.

Hon. P. COLLIER: Yes, and it has been increased. Thus they will have to pay even more than Parliament expected when the Bill was going through.

The Premier: That is so.

Mr. A. Thomson: The permit is granted subject to the payment of royalties. Millar's have to pay the same royalty as the others.

The Premier: Of course they have, from the term of their present leases, covering the period of extension.

Hon. P. COLLIER: Assuming they got an extension of four years: for that extended period they will pay, instead of an annual lease rent as in the past, a royalty on the timber cut, the same as those operating under a sawmill permit.

The Premier: And the same as they paid at that time, too.

Hon. P. COLLIER: If that is so, I am content.

Mr. Pickering: What about the concession?

Hon. P. COLLIER: I understand the same thing applies to the concession, whether it be a lease or a concession. I want to know that.

The Premier: Yes, that is so.

Hon. P. COLLIER: They will pay a royalty on the same basis?

The Minister for Mines: They will pay the prescribed royalty, whatever it is. The only point of difference is that they enjoy certain privileges with which we cannot interfere.

Hon. P. COLLIER: But I understand that is a matter of law.

The Minister for Mines: That is so.

Hon. P. COLLIER: Insofar as the Conservator would have control over them in the cutting out of their area. That is a matter of law. I think that when the Bill was going through we specifically said that they should not be deprived of existing rights in that connection.

The Minister for Mines: You added a proviso to the clause dealing with the power of the Conservator to make regulations.

Hon. P. COLLIER: Yes, that is so, and since it is in the Act it is not possible for the Government to override it in the making of regulations. However, I move—

That the amount asked for by the Premier be reduced by £50,000.

The PREMIER (Hon. Sir James Mitchell—Northam) [8.41]: Of course the hon. member is not serious in his amendment. He has said that the deficit last year was greater than it ought to have been. I have already told the Committee that it was greater than I expected, because we have lost money through the railways, and I have explained why that was so. Every hon. member who has sat on the Treasury bench knows that when supply is asked for, the Government of the day ask for one-sixth the expenditure of the previous year. No items are shown in this Supply Bill; we merely ask for a round sum. The hon. member knows that he will get the Estimates of Revenue and Expenditure in the course of a few weeks, and that then will be the time for members to say whether or not the expenditure is to be incurred. When the Estimates come down, every detail of expenditure will be shown, and hon. members will be prepared to say whether they approve or disapprove of the items.

Hon. W. C. Angwin: We have no power over salaries.

Hon. P. Collier: Three or four months of the year will have elapsed by then.

The PREMIER: But what is then done will carry on for 12 months.

Hon. P. Collier: At the rate of £177,000 per month.

The PREMIER: No, nothing of the sort. The expenditure for last July does not apply to every month. July is always a bad month.

Hon. P. Collier: But this has been a record bad month.

The PREMIER: That is not so. The "West Australian" this morning published the amounts received and the amounts expended during July of last year. There were three weeks of a strike, three weeks during which the offices were closed.

Hon. P. Collier: That was a saving.

The PREMIER: Yes, of course. During that month there could be very little paid away, and very little received. The interest bill went on. The railways were running, and the business concerns were all going. Only the public servants and the teachers were on strike. However, no comparison can be made between a month which was really only a week for most of the service, and last July. The hon. member said the expenditure was greater for last July than for the preceding July. Of course there has been increased expenditure all along the line.

Hon. P. Collier: The deficit for the month was greater by £70,000.

The PREMIER: Yes, but you cannot make a true comparison. The hon. member wishes the Committee to agree to reduce the amount asked for. The hon. member knows well what he is doing, and I hope other members realise that. The proper time to move for a reduction is when the Estimates come down.

Hon. P. Collier: The amendment is moved in quite a friendly spirit.

The PREMIER: I appreciate that. We have heard a great deal about the financial drift, but my friend, the member for North-East Fremantle, is waiting to tell the Committee how he had a big deficit in 1914-15. As a matter of fact, we are paying sinking fund to the tune of about £80,000 on the loans raised in his time.

Hon. W. C. Angwin: Increased interest and increased sinking fund.

The PREMIER: Yes. The increased interest bill amounts to about £560,000.

Hon. P. Collier: Over what period?

The PREMIER: Since 1916.

Hon. P. Collier: Not quite so much as that.

The PREMIER: Yes it is. The sinking fund of before 1916 has not been brought into account during the last four years. I know that every member is anxious that we should balance the ledger. I do not know if members realise that we have these trading concerns and that so long as we have them, we must do our best to make them pay. We have a right to expect them to pay, and I do not know whether members consider we should levy taxation to make up the debit. Personally, I think they should be expected to pay. Members should have regard to the fact that the railways were closed down for a fortnight or more last year and that

represented a very considerable loss, certainly not less than a quarter of a million pounds.

Hon. P. Collier: Not it.

The PREMIER: Yes, that is so. As a matter of fact, it was that stoppage that meant so much to the railways, and meant a fall in revenue for the rest of the year. Members know full well that when the railways stop, Kalgoorlie stops, water supplies stop, and, in fact, it means that one cannot stop a great service like the railways without interfering with every other industry. Am I to be expected to accept the responsibility for the result of that strike? I can claim that, but for that strike, we should have shown a very different position in connection with the railways, and one that should have been satisfactory to the Leader of the Opposition. I ask members to grant the Supply I have applied for, and in doing so I am only adopting a course which has always been followed.

Hon. P. Collier: That is the trouble; that is what we want to avoid. We want to get away from the drift.

The Minister for Agriculture: Do you mean you want to go on strike again?

Hon. P. Collier: You all will soon be bankrupt.

The PREMIER: How can I curtail the expenditure until I know what it is likely to be when I frame the Estimates for the year? It is true that the loss I have mentioned in connection with the railways may not occur during the next month or two, but what of that? We do not spend this money simply because we ask for it, but because we have to meet our bills for wages and salaries in addition to other requirements.

Hon. P. Collier: You will expend more than that.

The PREMIER: Not at all. We will only spend that which is necessary. However, it is futile to discuss the past in conjunction with the present, and members are fully aware of the reason for the motion brought forward by the Leader of the Opposition. He knows just as well as I do that until the Estimates are presented to the House, and they will be presented in a very short time, it is impossible for me to inform the House what increased taxation, if any, may be necessary until such time as I know what the position actually is.

Mr. O'Loughlen: You exceeded the estimate regarding the taxation income tax by £100,000.

The PREMIER: That was because the people were so much more prosperous.

Mr. O'Loughlen: How long will they stand it? Are you putting another little lot on?

The PREMIER: I do not suppose the member for Forrest objects to increased taxation from increased profits, for, the more prosperous people are, the more tax they have to pay.

Hon. W. C. Angwin: That does not always apply.

Mr. O'Loughlen: Do you say the people are prosperous now?

The PREMIER: I cannot say just now whether it will be necessary to impose increased taxation or not, but if it becomes necessary to impose additional taxation, it will not be very much.

Hon. W. C. Angwin: You will be getting the lot soon.

Mr. McCallum: You do not call a waitress who is receiving 15s. a week and keep a prosperous person, do you? She will have to pay income tax.

The PREMIER: Of course, I would not call her prosperous. I do not believe she pays any taxation.

Mr. Corboy: Yes, she does.

Mr. McCallum: I am sure she does.

The PREMIER: Will you quote me a case?

Mr. McCallum: I could quote you hundreds.

Mr. Corboy: If you get a case like that, will you remit the taxation?

The PREMIER: I cannot say until I get the particulars.

Mr. McCallum: That waitress I refer to gets 15s. a week, and her keep is represented at 25s. a week, which works out at £100 a year, and she is being taxed.

The PREMIER: Well, give me a case.

Mr. McCallum: You can go to your Taxation Department. That is the ruling of the Commissioner.

The PREMIER: I do not know about that. At any rate, I hope that the Committee will reject the motion which has been brought forward by the Leader of the Opposition.

Hon. W. C. ANGWIN (North-East Fremantle) [8.51]: I, in common with the Leader of the Opposition, regret that Parliament was not called together much earlier in the year.

The Premier: I, for one, am not sorry.

Hon. W. C. ANGWIN: Had the Premier called the House together earlier, he might not have found himself in the difficulty he is in to-night. Almost every member in this Chamber pledged himself during the election campaign to try to put the finances in order. There is scarcely one member on this side of the House who has not preached economy.

The Minister for Mines: Yes, but that was for the other fellow.

Hon. W. C. ANGWIN: No, everyone on the Opposition side of the House has endeavoured to tell the people the truth about the finances.

The Minister for Agriculture: But the people would not believe you during the election.

Hon. W. C. ANGWIN: That was because the Press of the State tried to instil into the minds of the public generally that the state the finances were in was due entirely to the trading concerns started by the Labour Government.

The Premier: I do not think that is so.

Hon. W. C. ANGWIN: That is the position, and no matter where one went throughout the State, almost daily one was confronted by the statement that the trading concerns, and the trading concerns only, were responsible for the State's difficulties at that time. We have been told by the Premier that it is unusual to take action in opposing Supply.

The Premier: I did not say that.

Hon. W. C. ANGWIN: Yes, you did.

The Minister for Mines: No, the Premier did not.

Hon. W. C. ANGWIN: The Premier said that it was very unusual, yet one has only to look through "Hansard" for 1912, 1913, 1914, and 1915 to read what the present Premier said. The present Premier opposed Supply and said that it should be opposed at that stage.

Mr. A. Thompson: You are merely following his example.

Hon. W. C. ANGWIN: We should insist on taking action because we recognise the necessity for economy. We have been told that the people should take control of the finances themselves, and tell the Government how they should proceed.

Mr. A. Thomson: You know that is impossible.

Hon. W. C. ANGWIN: I contend that it is possible. The member for Katanning realised that fact when the late Treasurer, Mr. Gardiner, brought in his taxation measure. On that occasion the late Treasurer impressed upon members in this Chamber that he regarded them as 49 co-directors, and he expected each one to help him in putting the State's financial house in order. He informed the House that the taxation legislation was introduced to meet the deficit. Has that happened? On the contrary, the more the Government get, the more they spend. In 1914, when dealing with Supply on the 30th June—not the end of July—the present Premier said—

We are asked to vote funds without having had the matter properly considered or discussed.

The Premier: I will not say it again when I get over there.

Hon. W. C. ANGWIN: He went on to say—

We raise the revenue magnificently and we spend it extravagantly. The Premier—That is the present Minister for Mines—is a spendthrift of the worst order and nothing else.

Hon. P. Collier: No wonder the Premier is having a good time himself with the Minister for Mines to assist him.

Hon. W. C. ANGWIN: Then he goes on to say—

It is—borrow and spend, collect and spend.

That is what has been done during the past few years.

The Premier: It is not a question of borrowing all along the line.

Hon. W. C. ANGWIN: A little later the Premier said—

Any fool can spend money. There is nothing easier than to spend money, but we want to get something for our money. The Premier, in his methods of expenditure, shows that he has very little knowledge, but a great deal of confidence. He will presently find that a great deal of confidence is not so valuable as a little knowledge.

Mr. O'Loughlen: They have both combined now.

Hon. W. C. ANGWIN: At that time there was a deficit of £446,000. When the present Premier said it was "a case of borrow and spend, collect and spend," he was stating the position as it applies largely to-day. The position as outlined by the present Premier in his speech in 1914 is applicable to the position to-day. It fits the bill exactly. There has been no end to the collecting and spending, and the more money the Premier gets, the more he spends.

The Premier: There has not been much collected.

Hon. W. C. ANGWIN: I would like to explain to members that no revenue or expenditure of the trading concerns has been published with the Consolidated Revenue returns since 1916. As from that period, they ceased to be accounted for under the State Trading Concerns Act. In 1914, the revenue amounted to £5,053,222 after deducting the figures relating to the State trading concerns. In 1921, the revenue was set down as £6,795,565, showing an increase of £1,736,343, or over a million and three-quarters, representing the amount the Premier has collected since that time and spent. Is he not collecting and spending to-day?

The Premier: We did not collect it.

Hon. W. C. ANGWIN: Is there any economy shown whatever?

The Premier: The railways collect and spend it.

Hon. W. C. ANGWIN: To-day we have got into such a position that it is difficult to get out of it. It is all very well to come here year after year and talk about the finances. There is a duty devolving upon every one of us to assist the country back into a sound financial condition.

The Premier: Well, why do you not come and help us?

Hon. W. C. ANGWIN: It is not our duty to give the Premier every shilling he asks for. It is our duty to point out to the Government that what this country wants is retrenchment in expenditure, and thus help to put the finances on a better footing.

The Premier: Where would you retrench?

Hon. W. C. ANGWIN: Unless we, as a Parliament, take the matter in hand, there will be very few people in this State very shortly who are not bankrupt. Most of the people in Western Australia have their money invested within the State.

Mr. Angelo: Where would you start with your retrenchment?

Hon. W. C. ANGWIN: The Leader of the Opposition is asking that a start be made to-night. He is asking the House to agree to tell the Government that they must reduce the expenditure to the extent of £25,000 monthly.

The Premier: Where shall we take it off?

Hon. W. C. ANGWIN: That is a problem for the Government to solve.

The Premier: Would you reduce wages?

Hon. P. Collier: We cut our expenditure down when we were there.

Hon. W. C. ANGWIN: It is all right to ask that. In 1913 when the present Premier was speaking in opposition to the Supply Bill, he used these words:—

I believe there are many reasons why this motion should be opposed. Just at the present time we are troubled by the unemployed. It is no laughing matter at all. These men are out of work and should be provided with work.

He tried to stop Supply altogether in order to provide men with work, and now he says that if Supply is reduced, he cannot be expected to provide men with work. The Premier is inconsistent.

The Premier: No, I am not.

Hon. W. C. ANGWIN: Unfortunately, owing to the fact that the true position has not been placed before the public, the Premier has a majority of members at his back, but the finances, being in such a bad state, are not a matter of party politics. The position has resolved itself into this, that we must save the country from bankruptcy.

The Premier: What are you going to do?

Hon. P. Collier: You are paid to do it, not to sit down and drift.

Hon. W. C. ANGWIN: At the time I refer to, we received by way of taxation £386,104, whereas last year the Premier received £955,358, or approximately £2 per head more for every man, woman, and child in Western Australia.

The Premier: You had a profit from the railways in that year.

Hon. W. C. ANGWIN: The increase in taxation since that year amounts to approximately £2 per head of the population, and this has been imposed since the time when the Premier said the Labour Party had nothing to do but to collect and expend. The Premier has told us repeatedly to-night that some of his difficulties are due to the expenditure under Loan Acts on interest and sinking fund. In 1921 the Premier expended £2,229,282 under Loan Acts, but his increased revenue was nearly one million in excess after deducting the amount expended under Loan Acts.

The Premier: No.

Hon. W. C. ANGWIN: I can give the exact figures if necessary. Last year the Premier had a revenue of nearly a million pounds in excess of what we had at the time of which he complains, and for which he would hold us responsible for the present position. There is not the least doubt that some losses have been incurred.

The Premier: The railways are £600,000 worse off.

Hon. P. Collier: But you as the Government cannot free yourselves of the responsibility for that.

Hon. W. C. ANGWIN: At the end of 1919 or the beginning of 1920 the Minister for Education paid a visit to Victoria and discovered that Western Australia had a sinking fund. To Victorians who questioned him closely regarding conditions in Western Australia and its financial difficulties, he said, "We are not in any worse position than you are. We have expended our money in providing for the future. We have a sinking fund almost equivalent to our deficit, and consequently this money has been invested to meet our debts." "Well" was the reply, "why did not you tell us of that before?" Now how much more has the Premier spent in sinking fund than was spent by the Labour Party?

The Premier: A good deal.

Hon. W. C. ANGWIN: Here are the exact figures for the five years, £271,537, out of 3½ millions increased deficit. It is all very well to put in the Governor's Speech as an apology for the deficit that the sinking fund has increased this year by £792,738 while the deficit was only £686,726. All the Government paid last year by way of sinking fund was £330,203.

The Minister for Mines: The rest was paid by way of interest from revenue on stock previously purchased, which might have been cancelled.

Hon. W. C. ANGWIN: I am doubtful about that. Some time ago I was of the same opinion as the Minister for Mines, and when I was in London a few months ago I asked why we should continue to make this expenditure. Our sinking fund is invested in various loans.

The Minister for Mines: In our own stock.

Hon. W. C. ANGWIN: Not all of it.

The Premier: Five millions of it.

Hon. W. C. ANGWIN: The position is this, that when some of these loans fall due, it will probably be necessary to realise on some of that stock in order to meet these loans.

The Premier: Or borrow.

Hon. W. C. ANGWIN: If it is necessary to realise on some of that stock, we shall in all probability receive less for it than we gave for it.

The Minister for Mines: Not at all.

Hon. W. C. ANGWIN: Stock is down now, and that is sufficient to indicate that we might have to accept less than we gave for it.

The Minister for Mines: We might have mentioned in the Governor's Speech the actual value. All that is shown is the face value of £368,000.

Hon. W. C. ANGWIN: That can be obtained from the financial returns issued every year. The exact value is published in the "Government Gazette" about the second week in August. In 1927 a loan of £2,500,000

in respect of the Coolgardie Water Scheme falls due. The Premier has told us that if we keep on as we are going we shall be £500,000 to the good, but we have not got more than half a million invested in that particular stock, and it might be necessary to put other stock on the market and sell it in order to redeem that loan. In selling this stock we may not receive sufficient to pay the amount of the loan due.

Hon. P. Collier: Redeem a three per cent. loan and incur a six per cent. loan.

Hon. W. C. ANGWIN: During the five years the Labour Party were in office we paid to sinking fund—I am not counting interest on debentures which the Premier claims was responsible for the deficit—a sum of £1,265,178, and finished with a deficit of £1,360,000. During the five years since Labour left office, there has been paid to sinking fund £1,535,715, or £271,537 more, but during the same period the deficit has increased by over £3,500,000.

Hon. P. Collier: Sinking fund does not account for one half of the present Government's deficit.

Hon. W. C. ANGWIN: That is why I contend that if the same Labour team had remained in office, there would not be a deficit of £3,000,000 to-day.

Mr. A. Thomson: That is only a matter of opinion.

Hon. W. C. ANGWIN: I am quite confident that it is so. I remember the instructions issued by the Labour Government in order to keep expenditure down. These instructions were scrupulously attended to by all Ministers. We were very careful to see that they were carried into effect.

Mr. A. Thomson: They were not always carried into effect.

Hon. W. C. ANGWIN: I am satisfied that they were. If members take the Auditor General's report for 1916, they will find that, if the outstanding revenue due for that year had been included, the deficit instead of being £360,000, would have amounted to only £50,000.

Mr. J. Thomson: Then how were you gone-a-million when Scaddan was there?

Hon. W. C. ANGWIN: That was for the period of five years.

The Minister for Mines: The member for Claremont will not be expected to see through that until to-morrow; he is a Scotsman.

Hon. W. C. ANGWIN: If I adopted the same line of argument as the Premier has done, I would say that we had expended that sum in sinking fund. The Premier, however, has not paid the equivalent of one half of his deficit in sinking fund, and yet he claims credit for the lot. He claims the interest on debentures for the sinking fund. I wish to point out one direction in which I think the Government might make up some of the deficiency and that is in connection with the Perth trams. Why should the people of this State, outside the citizens of Perth, be called upon to pay £40,000 a year by way of interest and sinking fund on the Perth trams?

The Premier: I do not think they are.

Hon. W. C. ANGWIN: I have come to the conclusion that they are. The Perth trams have a capital cost of approximately £700,000, it may be £750,000. The revenue last year was £225,000 and the expenditure £198,261. There was a surplus of revenue over expenditure of £23,739. Out of this the Government have paid interest, sinking fund and depreciation, and it is not reasonable to allow less than 10 per cent. for that. This item then would represent £70,000 and allowing for the surplus mentioned, the deficit on the year's working was £46,000.

The Premier: We shall soon pick that up.

Hon. W. C. ANGWIN: I hope so; it is one direction in which an alteration might be made. Regarding our trading concerns, I very much regret that some members of the Government and the Press are not fair. I do not care whether there is a loss or a profit on trading concerns—of course I would sooner they showed a profit—so long as the truth is given to the public.

The Premier: I think we do give the truth.

Hon. P. Collier: Incorrect statements manage to get out; I do not know who is responsible for them.

The Premier: We give out exactly what we get.

Hon. W. C. ANGWIN: Since 1917, consequent on special legislation introduced by the late Hon. Frank Wilson, the trading concerns have been kept separate. Since that time there is published only the debits and credits of these concerns. The Treasury is the bank for the trading concerns.

The Premier: That is all it is.

Hon. W. C. ANGWIN: We shall see about that presently. The Press and some members of this House are endeavouring to lead the public to believe that whenever the accounts reveal a larger amount to debit than to credit, there has necessarily been a loss; they do not take into consideration any stocks whatever or any accounts owing. In the balance sheets laid before the House we have found that such is not the case. Since 1917 the Consolidated Revenue received from these trading concerns—I am not dealing with business undertakings, because prior to the 1916 Act they were dealt with separately—the sum of £728,966, being recoups, interest, etc., £409,349, and the balance transferred was £319,617. This is how these trading concerns contributed to the Consolidated Revenue of the State. Yesterday, we saw the analysis of expenditure for July. To-day we have had the returns—not the correct ones, although that is not the fault of the Treasurer—showing the interest on trading concerns to be £9,558. I wanted to know something about this from the Under Treasurer and I said to him, “I see from the analysis given in the Press yesterday that the interest on trading concerns was £9,558. Where are your corresponding receipts of revenue to meet this amount in the banking account of the trading concerns?” The Under Treasurer said there were none, because it was only the

custom to charge the interest for six months. He said “If you will look at the last month's figures you will find there an amount of £179,000 for interest and recoups, etc.” That £9,558 is the one-twelfth which the State trading concerns are allowed to pay. This has never been done before; the monthly accounts have never been allotted in the way that was done on this occasion. Why is it? It is done to instil into the minds of the general public that the trading concerns have not paid anything into Consolidated Revenue, that they are a loss, and are responsible for the five millions deficit. They have contributed to Consolidated Revenue since 1917, after meeting interest, sinking fund, and recoup, no less than £319,617. These are the actual figures taken from the returns published in August, and contained in the Auditor General's report as submitted to Parliament. We only want fair play and the truth given to the public. When this has been done, I am satisfied the public will realise that the trading concerns are not responsible for the deficit, which is due to the bad administration of Ministers and those under them. The Premier said, “What about borrowing; we have not spent much loan money.” Of course not! When there was a change of Government in 1916 it was definitely stated to the public that borrowing must cease; that the Labour Government had been so extravagant in that direction that the Government could not afford to increase our loan indebtedness and that borrowing must cease almost entirely. During the first year, the Treasurer made an attempt in that direction and brought the average down a little, but to-day the Treasurer is spending more borrowed money than has ever been spent since the present Minister for Mines was Treasurer.

Mr. J. Thomson: On the Wyndham Freezing Works.

Hon. P. Collier: That was spent years ago.

Hon. W. C. ANGWIN: The member for Claremont must read up some of the returns that have been published, and he will then become a little wiser on the subject. Up to the 31st March last—there has been expenditure for a further three or four months since—the loan indebtedness of the State increased by £9,136,364, and yet this is a Government which does not borrow!

The Minister for Mines: That is principally in connection with soldier settlement.

Hon. W. C. ANGWIN: If the Premier had accepted the advice given from this side of the House the Government would not have an unemployed man in the State in connection with the soldier settlement scheme.

The Premier: Where are they?

Hon. W. C. ANGWIN: I will not deal with that question now. At all events, the member for York will agree with me. In 1916 our indebtedness per head of the population was approximately £110. On the 31st

March last it was approximately £123, and yet the Government are not borrowing money!

The Premier: I have not been Treasurer all the time.

Hon. W. C. ANGWIN: I know that. Unfortunately the Premier made one or two mistakes. One was that he deserted us after we voted with him on his motion of no-confidence against the party opposite. When dealing with our finances we are inclined to overlook the fact that the time is not far distant when we shall have a large amount of loan money due for repayment.

The Premier: I think in 1927. Next year we have a million.

Hon. W. C. ANGWIN: Between now and the 1st June, 1927, we have to provide a sum of £7,783,715 to meet our loan indebtedness.

Mr. Wilson: That is only a flea bite.

The Minister for Mines: We have the sinking fund.

Hon. W. C. ANGWIN: We cannot use the sinking fund for that, because it is a fund spread over a large number of loans.

The Minister for Mines: Most of it is shown in our existing assets. The railways more than cover that.

Hon. W. C. ANGWIN: We know all about that. It is necessary that we should put our house in order so that we may meet these loans. If I borrowed £500 on a £1,000 house, and I had not £500 when that amount fell due, the people I borrowed from would take the £1,000 house.

Mr. A. Thomson: You would borrow another £500.

Hon. W. C. ANGWIN: We all hope that things will improve, but there is a possibility that it will be many years before the money market will be as lenient as it was in the past. It is true that if our stock realises anything at all we shall probably meet £2,500,000—Goldfields Water Supply loan—but, so far as a large proportion of our loan money is concerned, we shall have hardly anything with which to meet it.

The Minister for Mines: You would not suggest that we should take it out of the public to a greater extent than we are doing with our sinking fund?

Hon. W. C. ANGWIN: No. It only shows that the Government are in the same position as the individual who owes £500 and cannot pay it. The individual would at all events exercise economies in the management of his household in an endeavour to meet the amount. Unless we economise in our expenditure from Consolidated Revenue it will be impossible for us to meet our obligations by taxing the people. The position is far more serious than is generally realised. It will affect each and every one of us if anything happens to the State. There may be enough money left to keep us in the Old Men's Home. We are all in the same boat except those who invest their money outside the State.

Hon. P. Collier: And the boat is rocking somewhat.

Hon. W. C. ANGWIN: It is almost sinking. It is necessary that members should carefully consider these matters. It may be said that these are loans raised by the Labour Party, and that it is another evidence of their wilful extravagance.

The Minister for Mines: They are coming back pretty well.

Hon. W. C. ANGWIN: Of the seven million pounds of loan moneys, £4,150,500 has been spent since the Minister for Mines went out of office as Treasurer, and the greater portion of the balance was expended before he assumed office.

Hon. P. Collier: He was more economical than he imagined.

Hon. W. C. ANGWIN: The Premier in addition has gone on the market for a further two million pounds on Treasury bills at six months, which makes a total of nine million pounds. Within a period of five years we have raised nine millions of money and expended the greater portion of it.

Mr. J. Thomson: The council of direct action does not want anything.

Hon. W. C. ANGWIN: I only hope that those who have lent us the money will not adopt the principle of direct action and seize the State. Pressure may be brought to bear upon the State with the object of Western Australia being taken under the control of the larger States of the Commonwealth. The people of this State will be like those in the Northern Territory, having nothing to say and nothing to do except pay, unless we see to it that a Government is created that will take charge of and control our finances, and see that provision is made to meet the position we are now facing. If this is not done the State is doomed.

Mr. A. Thomson: You do not honestly believe that.

Hon. W. C. ANGWIN: If I were going on the London market I would not preach this tale, but it is necessary to preach it here so that we may all realise the position we are in.

The Minister for Mines: I never heard such a doleful tale from you before.

Hon. W. C. ANGWIN: The Premier began the doleful tales. We have a deficit of five millions to meet, and over nine millions of loan money to repay within the next few years.

Mr. Underwood: We have the sinking fund.

Hon. W. C. ANGWIN: I should feel very much easier in my mind if we had a sinking fund with which to meet the situation. We are drifting on towards bankruptcy, and going headlong to destruction. Who is going to make the attempt to pull the Premier up a little?

The Minister for Mines: "I," said Horatius.

Hon. W. C. ANGWIN: The time has arrived when we must have economy in administration. Last year we had a deficit

of over £600,000. To-night we should vote to reduce that by at least £300,000. Are hon. members opposite game to do it? Are they game to give effect to the pledges they have made to the electors?

Mr. A. Thomson: Not unless you are prepared to do better.

Hon. W. C. ANGWIN: In reply to the hon. member, I say, give us a chance, and we will do better; no doubt of it. If we do not do better than has been done during the past five years, we would deserve not merely to be kicked out of office but to be kicked out of the country. I have endeavoured to put the true position before the Committee; or, shall I say, like the Premier, that I have endeavoured to enlighten the new members a little bit?

Mr. A. Thomson: You have told them a pitiful tale.

Hon. W. C. ANGWIN: It may be a pitiful tale, but it is the truth. I would sooner see five millions of surplus than five millions of deficit. I would sooner see new railways being built in every part of Western Australia than see the last penny scraped, as the member for South Fremantle (Mr. McCallum) has said, from the waitresses. Unless we do something to bring about prosperity by restoring to Parliament the control of the finances—

Mr. A. Thomson: Which Parliament has never had.

Hon. W. C. ANGWIN: Yes, Parliament did have control of the finances while the Labour party were in office. In conclusion, I will only say, "God help this country after the machine that turns out bank-notes has collapsed."

Mr. ANGELO (Gaseoyne) [9.33]: The Premier to-night has given us a brief summary of the State's financial position, and also an explanation, at any rate a satisfactory one so far as I am concerned, of why the ledger has not balanced. On the other hand, the Leader of the Opposition and his deputy have condemned the Administration, claiming that if the Labour Party had been on the Treasury benches they could have done better. But neither the Treasurer nor the speakers on the other side have mentioned what in my humble opinion is the chief cause of our financial trouble, namely that this State is being asked to pay far too much towards the upkeep of the Federal Government. I have mentioned this phase of our financial trouble on several occasions in this Chamber, but I have never been able to get the occupants of the Treasury bench to take the matter seriously. Let me say, however, that there is one member of the Government who does view the question in a serious light. The Leader of the Government in another place, speaking some little time ago, said—

I do wish to impress upon members of this House, upon the Press, and upon the people of Western Australia, the eminent importance of at once taking up with vigour and purpose this question of the financial relationship of the State and the

Commonwealth. No intelligent consideration of our public finances is possible without a thorough understanding of this matter.

I should have thought that a lead such as this, given by the Leader of the Upper House, would have been followed not only by the Government, but also by members of Parliament, and by the Press of this State.

Hon. P. Collier: He was only making excuses for his deficit.

Mr. ANGELO: At one time I was a banker, and had a good many accounts to deal with. I remember one particular account, that of a station where there were two partners. One was a sleeping partner, the other the working partner. The working partner was supposed not only to run the station but also to develop it. The partnership started off on good lines. The sleeping partner drew only what was a fair thing out of the station. But as years went on he began to get greedy and grasping, and the point was eventually reached when the sleeping partner was trying to get too much out of the station. The station could not stand it. The working partner not only was prevented from developing the station, but was unable even to carry on. So of course the partnership resulted in financial trouble. And such, I consider, is the financial position of this State to-day. We took in a sleeping partner.

Hon. T. Walker: Five sleeping partners.

Mr. ANGELO: As things have turned out, it seems that it was we who were asleep. However, at the commencement of Federation we were treated fairly by the Commonwealth. As the years have gone on, though, our treatment at the hands of the Federal Government has gone from bad to worse, until now it has become intolerable. It will be remembered that when we federated it was understood that the Commonwealth should collect its revenue through the Customs, that the Customs revenue was to carry on the Federal functions. In those days the late Mr. Alfred Deakin said in the Federal House of Representatives:—

Only as a last resource and in cases of dire extremity would the Commonwealth interfere with direct taxation.

But even years before the war broke out, when there certainly was no dire necessity, the Commonwealth imposed direct taxation, and it has gradually invaded every avenue of taxation, even down to our petty amusements. The State Government cannot possibly put any more taxation on the people of Western Australia. Already the Federal Government are collecting some 30 or 40 per cent. more in direct taxation than our State Government are doing. After what the Federal Government require from our citizens has been paid, there is very little left to collect from our people for the purpose of carrying on State functions. My only reason for mentioning the matter at this stage is that a convention, which is long overdue, is to be held as soon as it can possibly be called together after the return of Mr. Hughes, and I consider that the time has now arrived when

Western Australia, through its Government, should prepare the case for Western Australia to be submitted to that convention. I propose to give notice to-morrow of a motion for a select committee to be appointed from all sides of the Chamber to prepare Western Australia's case. My further suggestion is that when our case is prepared we should confer with the small States of South Australia and Tasmania, and go to that convention with a united policy on the part of the small States to insist upon and demand fairer and more equitable treatment than we are at present receiving from the Commonwealth. It is certain that unless we get fairer and more equitable treatment, treatment displaying more of the Federal spirit, we shall never be able to put our finances straight. We cannot do it with the narrow avenues of taxation and the other small methods left to us by the Commonwealth. I trust that when the motion is moved in this Chamber, hon. members generally will support it. In the meantime I would ask hon. members to obtain and peruse the pamphlet written by Mr. E. T. Owen, showing what, in his opinion, has been the result of Federation in the case of Western Australia. He tells us that up to June, 1920—that is getting on for two years ago—we had lost in hard cash, after giving the Federal Government credit for all moneys paid and all services rendered to us, a sum of eight million pounds, owing to our having entered Federation. Adding the figures for the following two years, I suppose we can easily say that we have lost over 10 millions sterling through our acceptance of the Federal compact, and this after allowing for everything that we have received from the Federal Government. As hon. members know, this State is five million pounds behind. If we had not federated and thus had not had to pay over that 10 millions sterling to the Commonwealth, then, instead of having a deficit of five millions, we would now be five millions to the good. That is why I claim that Federation is the chief cause of our financial troubles. That is why I say Federation is the spot on which we can put our finger and say that our troubles arise there. Of course I do not advocate cutting the painter, or resorting to secession; but I am in favour of taking steps to secure that fair and proper treatment which, by the Federal Constitution, we were promised when we entered Federation.

Mr. TROY (Mount Magnet) [9.41]: I shall support the motion of the Leader of the Opposition for the cutting down of the amount asked for by the Government. I shall do so, because I think it is high time the Government gave some lead and some direction to the country as to how to bring about an improvement in the State's finances. For the last five years this party in the Assembly have given the Government most generous support as regards the administration of the affairs of the country. I do not think any Government has had such generous

treatment from its opponents as the present Government and their predecessors have received from this side of the Chamber. But the drift is becoming so serious, and the people are becoming so embarrassed by taxation, and so handicapped by the lack of services, that it is high time the Government did something to fulfil the promises they have made and repeated from time to time during the five years they have held office. Seriously, I do want to know from the Premier, and from the members of the Government, what they propose to do to bring about a more stable financial condition? How do they propose to reduce the deficit? Have they any policy at all? Are they merely going to drift on? Have the Government any scheme which they propose to bring into operation in order to produce a better state of affairs? If they have, why have we not got it from the Government? We know that when one travels to-day one hears people constantly asking, "What are you going to do about the deficit? Is this taxation we are now being subjected to never going to cease? Are we never going to be relieved of the burden we carry? What do you propose to do? What do the Government propose to do?" In reply, I tell such inquirers this, "What do you propose to do? During the last five years you have had a Government in office with a huge majority, a Government that made very definite promises to you, and it is up to you to tell the Government to keep their promises. What have you been doing during the last five years, since the last general election?" It is not my responsibility. I do not know where to start in order to bring about a change. I have never had the opportunity of knowing. I have not administered the affairs of the State. I might just as well be told to manage the business of the member for Bunbury (Mr. Money), of which I know nothing, as be told to solve the financial difficulties of the present Government. I can give an opinion, but I cannot give a sound and reliable opinion. The only men in this country who can devise a scheme to that end are the members who sit on the Treasury bench. They ought to do it. It is up to them to do it. This country is waiting for them to do it. In my own mind I am perfectly satisfied that the Premier does not know. He is going to drift on in an amiable, aimless fashion, trusting to God that something will turn up, that something will occur, that some new discovery will happen along.

Hon. P. Collier: Some act of Providence.

Mr. TROY: Yes. The Premier has no idea. That is my opinion. And neither has any of his colleagues any idea. They simply hope that the world may improve, and that the effect may be felt in our finances. That is all the idea they have of the whole position. If they had any other idea, we would know of it; we would receive some lead; we would not have been obliged to listen to the dismal tale told us to-night by the optimistic Premier of this country. I have noticed in

the "West Australian," the Premier's guide, that land settlement in the South-West is going to bring about such prosperity as will quickly wipe out the deficit. Land settlement, as you, Sir, know, will merely aggravate the position for a number of years to come, because for many years the State must spend, not collect, and spend liberally, and particularly in that area to which the Premier is now giving attention, namely, the South-West. He will have to spend large sums of money before there is any return from that quarter, and while he is spending that money the State will continue to drift. So land settlement, while it will eventually bring a return, will not bring about any immediate solution of our difficulty. It is all very well for the newspapers to pin their faith to the Premier's working out of the salvation of the country by land settlement in the South-West, but we shall not see it accomplished for quite a number of years to come. Then there is immigration. We are to bring into the country a large number of new people. What are they going to do? Perhaps 75 per cent. of them will be looking for jobs in the Government service, or at all events in the city. A few will go on the land. What will they want? We shall have to borrow money to keep them on the land. Interest will have to be paid on that borrowed money. Clearly we cannot make good in that way. It has been said that we are to bring thousands of people to the country. What will be the result? The Government will have to borrow money to enable those who go into the country to make good, and even then a lot of them will not make good.

Mr. J. Thomson: A large percentage will make good.

Mr. TROY: In the wheat areas a few may make good, but I doubt whether many of them will be successful in the South-West. The young men and women of to-day are not prepared to take on the burdens which their forbears cheerfully accepted. The pioneers were prepared to put up a struggle and to live simple lives, but the young people of to-day are not content to live simple lives. They are living under different conditions. My parents, when they came out here from the Old Country, came from harsh conditions. At home they had to pay, perhaps, 75 per cent. of their production to a landlord. When they came to this country they had never known any but harsh conditions.

Mr. Angelo: Will not the majority of the present-day immigrants come from similar conditions?

Mr. TROY: I doubt it. I have met many of them, and they do not seem to find much improvement but here.

Mrs. Cowan: Is not that an argument against attempting to make any progress?

Mr. TROY: "Progress," you call it! Recently I was speaking to a carpenter who came to this State 10 years ago and settled on the land down the South-West. He told me he was going back to England. I asked him why, and he said, "I think I can make

a living there just as well as I can here." He explained that of 12 men who had come out 10 years ago, he was the only one left, the others having gone back.

Mr. J. Thomson: He will be glad enough to come out here again.

Mr. TROY: If the Premier were to speak his mind, I think he would support me in the view that the majority of the settlers who come from the Old Country come from industrial occupations, and on arrival here look for opportunity to follow the same occupation. When they go on the land in the South-West, with the promises they have received from the Agent General they want substantial backing from the Government. And the lands of the South-West will not be productive for a number of years, double the number of years required for production in the wheat areas.

The Colonial Secretary: Do you suggest that we should put none of them in the South-West?

Mr. TROY: No, but I suggest that that is not a remedy for our existing difficulties, that indeed, for the time being, it will only aggravate them.

The Colonial Secretary: Then we are never to make a start developing the South-West?

Mr. TROY: I only say that you have to devise some other means for relieving the existing condition of affairs. You cannot pay interest and sinking fund on further borrowings to enable men to develop the South-West. I think the Premier has said that he cannot raise additional revenue, for the reason that the people are sufficiently taxed already. I agree that the people are very heavily taxed both by the Commonwealth and by the State. But what is going to happen when, in the near future, the value of production in this country falls? Next year wheat will not be the price it is this year. I have no doubt that the value of the commodities we are now producing, and from which the people are paying taxation, will fall. What will the Government do then? How are they going to make up the decreased revenue? Already the value of wool has fallen, and so the pastoralists will not this year pay the same taxation as they paid last year.

The Premier: Not by a long way.

Mr. TROY: Then how is the Premier going to make up the deficiency?

The Premier: I will tell you when I introduce the Estimates.

Mr. TROY: The Premier's Estimates last year were out by several hundreds of thousands of pounds.

The Premier: By £280,000, due to strikes.

Mr. TROY: There will always be some trouble of the kind. Do the Government propose to retrench?

The Premier: Already we have 200 officers fewer than in 1916.

Mr. TROY: That is not a great reduction, after all. I do not know whether retrenchment can or cannot be economically effected. It is not my responsibility. I cannot speak

with authority of a business of which I have no intimate personal knowledge. But the Government have knowledge, and it is their duty to give the country a lead. I notice that they have cut down the railway service.

The Premier: The Commissioner of Railways has.

Mr. TROY: It amounts to the same thing. I do not object to that particularly, if it is the best that can be done. But is there no policy by which the Government can place ex-Government servants somewhere where they will be of value to the country, instead of throwing them on to the labour market?

The Premier: We are not doing that.

Hon. P. Collier: A considerable number of them are drawing superannuation payments.

Mr. TROY: Assuming that the public service is over-manned, have the Government no means by which they can say to an officer, "We have to dispense with your services, but we must place you in some productive channel." Do the Government propose to do that?

The Premier: If we were to cut out the lot, it would not greatly relieve the position.

Hon. P. Collier: That is no reason why you should not effect economies wherever possible.

The Premier: I do not think the public service ought to be accused of being responsible for the deficit.

Mr. TROY: I do not accuse them of that; but if the public service is over-manned, the Government ought to devise some scheme by which they can put, at all events the younger men, into productive channels and say to them, "There is your opportunity, and the State will stand behind you for a given number of years." Why do not the Government give such a lead, if that lead is desirable and practicable? We are entitled to a lead from the Government. The member for Gascoyne looks to the Federal Convention to relieve us of our disabilities, and he looks in vain. He says "Let us go to the Federal Government and point out our necessities, explaining that by entering Federation the State has suffered. The Federal Government will listen to us." But will they? They have their own difficulties. They cannot help us. They have huge obligations to meet, and those obligations have been made with the full consent of members on that side of the House. Those obligations would have been twofold had those hon. members had their way. The Federal Government will say that they have war liabilities to meet, heavy interest to pay on the war loan, in addition to their responsibilities to returned soldiers. And what can hon. members opposite say? They demanded the war loan, and any man with sufficient temerity to say "Steady! steady!" was branded as a pro-German and a shirker. These things have been done with the consent of hon. mem-

bers opposite and by the persuasion of the Country Party who, most unfairly, are now trying to sidestep their responsibilities. For all the burdens now being carried by the people the Country Party is equally responsible with the Nationalist Party. For while the tide was flowing with the Nationalists, the Country Party stood with them, and claimed the Nationalist policy. And now the Country Party wants to stand from under. I say it is an altogether unfair position.

Mr. Pickering: That is contrary to the views of the Leader of the Opposition.

Mr. TROY: At the last general election the Country Party did the same thing. I and a number of others were opposed by Country Party candidates, all of whom blamed the Mitchell Government, said they were opposed to the Mitchell Government, and declared that that Government were responsible for all our disabilities.

Mr. Money: You did not agree with them!

Mr. TROY: I exposed them. I cannot understand anything more contemptible than a party assisting any Government and sharing in the responsibility of the Government and at the same time, members of that party going to the people throughout the country attributing the troubles of the State to the Government they themselves are participating in and thus endeavouring to evade responsibility. So far as the Federal Government are concerned, they have a great obligation imposed upon them by the consent and with the assistance of members of the Country Party, just as the Government in this State are kept in power by the assistance of members of that party. I am satisfied, however, that in the course of time we will find men like Mr. Gregory and Mr. Prowse "getting from under," and saying that they have nothing to do with the Nationalists who do not concern them. In point of truth, not of fact, they accept their present position so long as the tide runs in accordance with their self interest. The same thing will apply to the Government in Western Australia.

Hon. P. Collier: When the tide turns they will come over here.

Mr. TROY: Unless a miracle occurs I am afraid things will be much worse in this State than they are at the present time despite all the optimistic Premiers we may have. Personally, I hope that the miracle will occur, because any man living in this country has an interest in seeing that that result is achieved. We do not want things to get worse, but in my opinion the period of low times and depression has not yet come to this State. I may be an evil prophet, but I believe that what is required in Western Australia if that evil day and that depression are to be set aside, is not a Premier who will claim to be optimistic when he really is not optimistic at all, but a strong Government, with a good working majority like that behind the present Gov-

ernment,—a Government willing and able to give a lead to the people. If the present Government by any drastic act is able to save the country from the consequences which I am afraid are ahead, they will be entitled to the lasting gratitude of the people of this country.

Mr. Pickering: That is a bona fide statement.

Mr. TROY: I do not think that the Leader of the Opposition or the members sitting behind him, are anxious to take control of affairs from the present Government.

Mr. A. Thomson: I do not think you are, at the present stage.

Mr. TROY: If that responsibility should come our way, however, we will not shirk it. Although the Government may have to do unpleasant things in the future, so long as they act with justice they should grapple with the position. Even though the immediate future may not approve, posterity will justify their actions. While we are all influenced more or less by a sense of self preservation, any man who accepts the important position as Premier of this State should have some lofty ideals. I do not say that the present occupant of the office has not got those lofty ideals, but so long as a man is acting in the interests of the country, it does not matter what happens to him. We may not always be in politics but unless we can make good this session and unless we as a Parliament can do something to save this country from the trouble which is threatening us, none of us will be here in three years time. The people will require a change and I wish that this Government would act.

Mr. CORBOY (Yilgarn) [10.5]: I notice that the Premier seems to have quite a fetish in his mind regarding strikes.

The Premier: I merely mentioned them by the way.

Mr. CORBOY: As a matter of fact that is a good deal more than the hon. gentleman did regarding matters concerning which I would like more information.

The Premier: I am perfectly willing to give you more information if you desire it.

Mr. CORBOY: In that case I should like to have some information from the Premier as to how he intends to effect economies during the life of this Parliament. He has not given us much information upon that point.

The Premier: I suggested that strikes should be avoided as one way in which economy could be achieved.

Mr. CORBOY: I notice that the Government have taken very drastic action in connection with some strikes. I am not referring so much to the present Government, but to the party which that Government represents. Very drastic action has been taken in connection with some strikes, even to the extent of taking an armed force to Fremantle and causing a conflict which might have led to very serious and grave results. In fact, it actually did cost the loss of one man's life.

Hon. P. Collier: And also we lost one great Premier.

Mr. CORBOY: The then Premier did not have time to prove his greatness. The Government have also taken sides in connection with the Esplanade Hotel trouble and in many other troubles as well. There seems to be a peculiar reticence, however, in regard to the strike we have at the present time. When it is a question of dealing with the master bakers or, in fact, with any other of the masters, then, apparently, the Government are not so quick in coming to the fore with their armed forces, in order to maintain the continuity of industries.

The Premier: The master bakers have not been threatening to attack anyone.

Mr. O'Loughlen: It is worse than that. They are actually attacking our stomachs.

Mr. CORBOY: That is decidedly the worst attack we have to sustain. We can stand a black eye, but when we are forced to be hungry we get quite angry. The question of the railways has come up many times to-night. I want to deal briefly with one or two aspects of that question. I am sorry that the Minister for Railways is not present, because there are one or two points regarding the reduction in the train service which I would have liked him to hear. I know that for some past the Minister for Railways has not found it as necessary to travel so extensively by rail as formerly, but there are many of us who have to do so. I live in a suburb on the Midland Junction line, and recently a new regulation came into force with regard to trains on Sunday mornings. The Railway Commissioner, with the consent of the Minister for Railways, has cut down the service, and now the Kalgoorlie express is run as an ordinary suburban train, and is the only one on Sunday mornings. Last Sunday morning I had to come to Perth, and by the time the express reached Maylands, it was impossible to open the gates at the end of any of the coaches. One had to climb over them and even then, one could not get his feet on the floor of the coach. It was necessary to sit on the railing and kick everyone on the platform. If that system is to continue, the Department will lose what little patronage it has at the present time. Owing to the increased fares, the traffic has been curtailed and it is getting worse. The discomfort on these trains is becoming more extreme. On the train to which I have referred we looked down the corridor and counted four women with children in arms who had to stand because they could not get any other accommodation in the train. What does the Minister intend to do regarding the cutting down of this train service? We want better accommodation than that. According to information during the last week, the Department intends to cut out some more of the train service. There are trains during the middle of the morning and the middle of the afternoon which are not extensively patronised and it would be quite reasonable to cut them out. If it is the intention of the

Commissioner, however, to cut out any further trains during the busy part of the day, instructions should be given to prevent any such move.

The Premier: Every man who has had a train cut out during the day is saying the same thing.

Mr. CORBOY: I am willing to offer the Premier accommodation next Saturday night if he will stay at my house and endeavour to catch the early Sunday morning train to the city.

The Premier: I am afraid I would not find room on the platform.

Mr. CORBOY: There is another matter which I desire to ventilate. The services of many workers in connection with the Railway Department are being dispensed with, and we shall have the old trouble—I am glad there are one or two representatives of the farmers in the Chamber who take an interest in this matter—regarding the lack of rolling stock to shift the harvest.

Mr. Pickering: I am glad you take that view of it.

Mr. CORBOY: Men who have been employed in the Midland Junction workshops are being dismissed at the present time, and last week these dismissals included six wagon builders. In a very short time, there will be a complaint that the Department is short of rolling stock and the services of these men will certainly be required. It is false economy to dismiss men whose services will be required in three or four months' time. In a few months' time the Department will be howling for the services of such men as these wagon builders, in order to help in the provision of extra rolling stock, and by that time the men may have left the State.

Mr. Willcock: In the meantime overtime rates are being paid.

Mr. Pickering: There is a great shortage of louvered trucks.

Mr. CORBOY: Although the members of the Country Party are taking such a deep interest in this matter, I would like to mention that last year I met a Country Party member who informed me that he would not stand as a candidate until he had received a definite assurance from the executive of his association that it would not support the Mitchell Government.

Member: Was he elected?

Mr. CORBOY: No, he was not. I exposed him.

Hon. P. Collier: He must have been the man who was opposing the Minister for Works.

Mr. CORBOY: The Premier has given us a lot of figures to-night, but he has not given us any explanation why the expenditure is creeping up higher and higher. Despite the enormous increase in revenue, the Government are still unable to make the ledger balance.

The Premier: I said that the reason was mainly on account of the increased wages and salaries we have to pay.

Mr. CORBOY: Taking the two years quoted by the Premier, the increased revenue was £1,844,714, while the increased expen-

diture shown was £1,879,476. The Premier stated that during those two years the wages bill had increased by £837,000 per annum.

The Premier: That is for wages and salaries.

Mr. CORBOY: They are practically the same, for the fact that a man receives a salary and wears a stiff collar, does not affect the position. That reduces the increased expenditure to £1,042,426. I do not think any explanation has been given by the Premier to-night or by any other speaker to show why that increase of a million has been incurred.

The Premier: The interest bill has increased as well.

Mr. CORBOY: That is a good fall back, is it not?

The Premier: The cost of coal and other commodities has also increased.

Mr. CORBOY: I do not think that the cost of these commodities has risen to such an extent as to necessitate the expenditure of an extra million. I would like to have some real explanation from the Government as to why this extra million has been spent during last year as compared with two years ago. We have not had that explanation here. I would like to know whether the Government are really going to tackle the position in regard to the dismissal of men who are not necessary to the country's service to-day. The Government are dismissing men who are capable of building wagons and who they know will be wanted. The Government know they will be begging for these men within a few months. They are dismissing fettleers who are necessary if the lines are to be maintained in the best condition; they are dismissing all over the State men who are doing really necessary work.

The Premier: I do not know about that.

Mr. CORBOY: There is no doubt about it. It is necessary that the railway lines be kept in good repair unless the Government wish to become involved in claims for a few thousand pounds by way of compensation after wrecking a train on a bad line. For some years I worked in the Civil Service and recently I worked in the Midland Junction workshops and I was able to form a fair idea as to where retrenchment could be carried out on a proper basis without impairing the efficiency of the work. From careful observations extending over a period of five months in the Midland Junction workshops, I say it is not in the workshops or on the railways that retrenchment can be carried out. Not 5 per cent. of the men there employed could be dispensed with if efficiency is to be maintained, but I am sure that the Government could dispense with 30 per cent. of its civil servants without affecting the efficiency of the service. I was in the civil service for a period of seven years; I was in many departments. The real trouble with the service is that a lad passes his examinations, becomes a permanent civil servant automatically and grows up in the department, and it is not convenient to dispense with his services. When he grows up

another lad or two are employed, and so the game goes on. One office that I was in had a staff of five men and three boys doing work which could have been efficiently done by one man and three boys. The others had grown up in the department as I have explained and were kept on.

The Premier: I wish you would let me know of that department.

Mr. CORBOY: It is not a fair thing to ask of me. Appoint a commission to go into the whole question and I will give the evidence.

Mr. Latham: We do not want any commission, thanks.

Hon. P. Collier: You mean that it is observable without any commission?

Mr. CORBOY: It is. I visited four offices yesterday and one of them I can say was grossly overstaffed with great hulking young fellows who could be better employed chopping timber in the country instead of sending out to do such work miners who are broken down with tuberculosis. If the Government are sincere and really wish to save money and employ men on reproductive work, let them put these young fellows who are now quill-driving out into the country. It will do them no harm; in fact I can say from experience that a little work will benefit their health and at the same time it will be sounder economy to adopt this course rather than dispense with the services of wagon builders who are really needed and who are being sacked for the purpose of saving a few shillings. It seems as if the Commissioner of Railways and those controlling him from the Ministerial benches have become panic-stricken because they have had a bad monthly report. They say the bottom has fallen out of the railway business. Well, the bottom is out of everything at the present time. There is depression all round, but that is not to say that things will not come again. It is certainly no indication that these wagon builders and other men will not be absolutely necessary in a few months' time. On the other hand, I fail to see how any possible livening up of business could make it necessary to retain all the young fellows we have in the civil service and who could be better employed in doing reproductive work. If only for the purpose of doing something to force the Government to tackle some real economy in administration, I support the amendment moved by the Leader of the Opposition.

Mr. PICKERING (Sussex) [10.20]: I do not desire to take advantage of this occasion to make my speech on the Address-in-reply, but I certainly do desire to comment on certain remarks made by the Premier by way of interjection in reply to the Leader of the Opposition. In doing so I regret that it becomes necessary to read certain portions of the debate which took place during the passage through Parliament of the Forests Bill. I would like to direct the attention of

members to the Interpretation Act as regards the words "may" and "shall."

The Premier: We all know about that.

Mr. PICKERING: If it is known, we can take it as read. The interpretation amounts to this that the word "may" leaves the matter entirely discretionary whereas "shall" makes it mandatory. Section 6 of the Forests Act, under which these extensions are to be conceded, reads:—

The Governor may (a) extend the term of sawmill permits granted under the Land Act Amendment Act, 1904, so far as the operations thereunder have been temporarily discontinued in consequence of the present state of war; (b) so far as the operations under any existing timber concession or timber lease have been temporarily suspended in consequence of the present state of war; (i) extend the terms of such concession or lease subject to payment during the period of such extension, in lieu of the rent thereby reserved, of a royalty on all timber acquired at the prescribed rate of royalty under this Act for timber acquired under permits, and to the regulations in force for the time being, subject to the proviso to section forty-three; or (ii) within twelve months of the termination of the war, accept a surrender of any concession or lease, and issue, in lieu thereof, a permit under this Act of the same or other land at the prescribed royalty, the rent paid under the surrendered concession or lease during the period of temporary suspension of operations being credited to the permit holder and apportioned over the term of the permit.

I would like to point out that the two sub-paragraphs have a very big bearing on the amount of money we are to receive from Millars' concessions. If, as the Premier points out, these concessions have been extended under sub-paragraph (i) it means that they will not come under the operations of the Act, so far as the payment of royalty is concerned, until the expiration of the time when the concessions fall due for renewal. Had they been brought under sub-paragraph (ii) Millars' would have immediately fallen into line and paid the same royalty as applies to the permit holders. There is a very big difference indeed in the choice of those two sub-paragraphs, and when we consider the deplorable state of affairs laid before the Committee with regard to the State's finances, and when we see the Premier deliberately foregoing much revenue which would have accrued to the State if the concessions had been brought under sub-paragraph (ii) we must realise that there was here presented one avenue by which the deficit could have been reduced.

Mr. Wilson: How are you voting?

Mr. PICKERING: I am not dealing with that now. This Committee has been misled by the Premier in his replies by interjection to the Leader of the Opposition.

The Premier: How do you mean?

Mr. PICKERING: I have been explaining it. If the Premier prefers to go on talking instead of listening, it is his business.

Mr. O'Loughlen: Repeat it for the Premier's benefit.

Mr. PICKERING: If the Premier will not listen, I am not responsible. I have given the Premier my closest attention and have endeavoured to hear what he had to say. It is only with the greatest difficulty that one can hear anything he says, and it is most difficult for any member to discuss a Supply Bill in these circumstances. The Committee were deliberately misled by the then Attorney General when he put this clause before us. I shall prove my statement from "Hansard."

Hon. W. C. Angwin: First in regard to the pastoralists and now in regard to this.

Mr. PICKERING: The Attorney General, according to "Hansard," 1918, page 967, said—

Now, we say to the leaseholder, "We cannot extend your old, obsolete tenancy or your concession on the terms on which you originally got it, because that would be unfair to the other sawmiller who is a permit holder, who is to-day paying 2s. royalty."

I am pointing out how this House is being misled with regard to those concessions. If these concessions have been granted, a great injustice has been done to the rest of the permit holders in this State. If the extensions are granted to Millars' on the lines indicated, the Conservator of Forests will not be in a position to enforce to the fullest extent the conditions and regulations on the holders of permits. If he does so, they will have to go out of the business, because they will be unable to compete with Millars' whose concessions are under sub-paragraph (i). It has been stated that it was compulsory for the Government to extend these concessions to Millars'. The word "may" does not mean that the Government were compelled to do so. The reason these two sub-paragraphs were put in was to afford the Government an opportunity to protect not only the forests but also the finances of the State which are in such a deplorable condition. The Attorney General further stated—

I hope hon members appreciate the position between the concession holder, the leaseholder and the permit holder. The concession holder pays a very small fee. In some instances it is £150 a year. It was fixed in the early days, 30 or 40 years ago. Most of these leases and concessions expire between the years 1924 and 1927. The leaseholder pays £20 per square mile per annum. It is not proposed to renew the concessions or leases on the same terms under which they have been held. It is proposed to renew them on the same terms as the permit holder.

If my interpretation is correct, the members of this Committee have been deliberately misled.

Hon. P. Collier: The Premier says that is the intention of the Government.

Mr. PICKERING: No, the Premier says he has extended Millars' concessions under sub-paragraph (i), and under that we cannot collect the royalty until the period for these concessions has expired.

The Premier: We had no right to.

Mr. PICKERING: We agreed to extend these leases and concessions, not as a right but as an act of justice, and if we allow them to stand at the date when they naturally expire any number of sawmillers will take them up when they expire on any terms the Government like to fix. The Premier, however, says: "No, we will give you the advantage of the period of the war during which they were not used, and at a rate which will defer the royalty."

The Premier: That is not so.

Mr. PICKERING: It is so.

The Premier: I say it is not.

Mr. PICKERING: The Leader of the Opposition, when speaking on this matter in 1918, "Hansard," page 969, said—

In the face of that we say to the leaseholder who has concessions, that could not be obtained anywhere in Australia during the past 20 years, we will give consideration to you for the £22,000. I am not prepared to go that far. It is a fair thing for Parliament to ask these people if they surrender their leases, to continue during the period under review on the same terms and conditions as any other sawmill proprietor operating in the forest at the present time. Parliament proposes to give them an extended rate for four years and we are justified in saying for those four years, "You come under the same conditions as other people operating in the forest."

The Government are not doing this. They are extending these permits to Millars' on lines which give them great advantages over the permit holders of to-day. It will be impossible for the Conservator to enforce on the existing permit holders such conditions as will safeguard the forestry of this State until such time as the leases and concessions to the combine lapse. That will not be until 10 years' time, and I am safe in saying that the loss of revenue which will result to this State in consequence will amount to £750,000 or £1,000,000.

The Premier: That is sheer nonsense.

Mr. PICKERING: The Premier can say so if he likes.

The Premier: I do say so.

Mr. PICKERING: Then the Premier should be able to demonstrate it and make it clear in a voice that we can all hear. The Attorney General went on to say—

The leasehold works out at 10½d. per load on what they have been cutting. That is what they are paying, and this is what the Attorney General said in introducing this Bill and speaking to these two motions. The Attorney General was highly commended by the House and the public on

the way in which he introduced the Bill. When hon. members listened to the Attorney General and the interpretation he placed upon this clause they were misled by him into believing that, if such concessions were made to Millar's, they would come under the same conditions as other permit holders in the State. The Leader of the Opposition then said—

I say the Committee is not justified in any generosity of that kind. For my part I will support the amendment. But the amendment does not go far enough. I will vote against the clause and will say to those people, "Unless you are prepared to meet us on an equitable basis, that is, agree to come under the same terms, namely, 2s. per load royalty, as others have paid, we will give you no concession."

This is the deliberate statement of the Leader of the Opposition.

Hon. P. Collier: And the Attorney General agreed.

Mr. PICKERING: Yes, and yet we are told by the Premier that, in spite of the discretionary power contained in the clause, he has extended the concessions on the No. 1 condition. I have no personal feeling in this matter. I am not a Western Australian born, but I have at heart the interests of the State, and the conservation of our forests. I fear there are not many representatives in this Chamber who really appreciate the vital necessity for the conservation of that great asset.

The Minister for Mines: You have no right to reflect upon members of this Chamber.

Mr. PICKERING: I can say that this is my opinion. If such concessions have been made, as indicated, then we have done an incalculable injury to the forests policy of the State, and vitally affected any benefit that will accrue, as a result of the expenditure of money on the development of the forests, which expenditure will represent so much money thrown into the sea.

The Premier: Nothing of the sort.

Mr. PICKERING: I say it is so. I should like to quote another statement made by the Attorney General. He said—

Conservators of Forests cannot be found every day, like doctors or lawyers. New South Wales was for 17 years trying to find an officer, and those States that are finding it necessary to pursue a forest policy are on the look-out for forest officers, that is why we want an agreement for seven years. If we cut out "from time to time" and the Governor fixes the salary, can he alter that salary? Is it desirable that the Conservator of Forests, as the forest revenue grows and the importance of the industry grows, should receive the salary which he receives now?

This State has been exceptionally fortunate in obtaining the services of a forester of the calibre of Mr. Lane-Poole. It has been demonstrated that it requires an exceptionally strong man to stand up against the opposition to our forest development. It would

be a calamity to lose the services of a man of such conspicuous ability as Mr. Lane-Poole as Forests Conservator. Remarks have been made this evening about the Country Party and about members of the Country Party not giving effect to plank No. 11 of their platform. Something was said by the Leader of the Opposition, who construed a document as an instruction to us regarding our attitude towards economy. Since I have had the honour of representing the Sussex electorate, I have done my utmost to bring about economy. Those members who have been in past Parliaments will remember that when the Public Service Act came up for discussion I strongly recommended a reduction in the Civil Service of 33-1/3rd per cent. I am glad to find in the House a new member, sitting opposite, who is prepared to advocate a similar policy. The percentage may be a large one, but it is evident that there is plenty of room for retrenchment in the Civil Service. The Government should give some evidence of their earnestness in this regard. The Speech states that a reduction of 206 civil servants has been made during the last five years.

Hon. P. Collier: They are mostly retired on pensions.

The Premier: We could not sack them without their pensions.

Hon. P. Collier: The statement indicates that you are economising or reducing the number, but you are not doing so; you are retiring them on pensions.

[Hon. G. Taylor took the Chair.]

Mr. PICKERING: There is a very decided opening for the Government to use the political pruning knife in the service, but I cannot see that there is any indication of that intention in the Speech. Neither can I see any indication of a policy of economy in that particular direction. This is a matter for great regret.

Hon. P. Collier: Or of economy of any other kind.

Mr. PICKERING: It is certainly hard to find such a policy. I hope, when the Premier presents his Budget, he will come forward with a definite policy so that we shall know where we are. The position has been placed before the House to-night, very concisely and interestingly, by the member for Mount Maguet. The attitude of that hon. member is worthy of emulation by every other member, namely, that he will give his most cordial and earnest support to the Government if they are prepared to show a way of overcoming the difficulties confronting us. I feel it is necessary that we should all appreciate the seriousness of the position facing us, at all events, so far as our forest policy is concerned.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [10-37]: I wish briefly to reply to the statements made by the member for Sussex concerning the proposed extension of the

concessions and leases held by Millars. First of all, the hon. member may read "Hansard" from page 1 to the end—

The CHAIRMAN: There is a motion already upon the Notice Paper dealing with this question.

The MINISTER FOR MINES: I drew the attention of Mr. Stubbs, when he was in the Chair, to that fact but he took no notice of it.

The CHAIRMAN: I will allow the Minister to proceed.

The MINISTER FOR MINES: It would be unfair to allow these statements to go unchallenged. Whatever reference may be made by any member, whether the Minister who introduces the Bill or any other member of the Chamber, it does not affect the law, which must stand. Frequently, the courts set aside the judgments of lower courts although they have been based on what are supposed to have been the intentions of Parliament, and have declared that the law as worded means a certain thing, and that it must be read accordingly. We have an Act, and under that Act we must operate. The Forests Act of 1918 laid down certain conditions for the control and conservation of our forests. If the hon. member will look at the Act he will find that it is divided into parts. The first part deals with the title and with the clauses bearing upon the interpretation, and also with the provision dealing with the extension of leases and concessions, on which operations had been temporarily suspended owing to the war. Part 2 sets out that there shall be established a Forests Department and that there shall be a Conservator of Forests, and that the Conservator shall be empowered under the Minister to do certain things. Wherever it provides that the Governor-in-Council may do certain acts, it also provides that he shall do them on the recommendation of the Conservator of Forests. But it does not say that the extension of these leases shall be under the control of the Conservator of Forests, or subject to any recommendation by him. It says that—

the Governor may extend the term of sawmill permits granted under the Land Act, 1904, so far as the operations thereunder have been temporarily discontinued in consequence of the present state of war; and so far as the operations under any existing timber concession or timber lease have been temporarily suspended in consequence of the present state of war (i) extend the term of such concession or lease subject to payment, during the period of such extension, in lieu of the rent thereby reserved—

The period is the period after the expiration of the existing lease or concession, and the rent reserved is that reserved in the lease or concession—

of a royalty on all timber acquired at the prescribed rate of royalty under this Act for timber acquired under permits, and to the regulations in force for the time being, subject to the proviso to Section 43—

That being the section which permits the Governor-in-Council to make, on the recommendation of the Conservator, regulations. The proviso in question sets out—

Provided that so far as such regulations apply to any existing concession, lease, or sawmill permit, such regulations shall not be

inconsistent with the rights under such concession, lease, or permit.

It is only a question of deciding what are the rights under the existing leases, concessions, or permits—existing, that is, at the time of the passing of this Act. All other regulations which do not in any way abrogate then-existing rights must stand. The lessees or concessionaires must pay during the period of extension the royalty that is prescribed under this Act in respect of permits issued to anyone else. But the hon. member says we should take upon ourselves to grant extension under sub-paragraph (ii), which provides that the Governor may—

within 12 months of the termination of the war, accept a surrender of any concession or lease, and issue, in lieu thereof, a permit under this Act of the same or other land at the prescribed royalty, the rent paid under the surrendered concession or lease during the period of temporary suspension of operations being credited to the permit holder and apportioned over the term of the permit.

Can the hon. member understand English? I suppose there is no member of this House who can speak English as well as does the member for Sussex. The member for Sussex knows that a surrender cannot be accepted unless it is offered.

Mr. Pickering: But there is no obligation to extend.

The MINISTER FOR MINES: Under this Act there is unquestionably a strong moral obligation on the Government, having regard to the fact that Parliament laid it down that in respect of suspension of operations owing to the state of war the lessees or concessionaires should obtain extensions subject to covenant. The hon. member would be one of the first to call the Government to account if they had refused to grant what this Act enables them to grant. There is no one in this Chamber, or in this country, who will back a sound forestry policy more than I will as Minister controlling the forests of the State. I have backed up Mr. Lane-Poole on every possible occasion, even on the public platform, and as against members of the House who ought to have known better. But I will not support Lane-Poole or any other public servant who wishes to override Parliament. What is the use of our passing Acts of Parliament giving powers to a certain individual who then says, "I do not wish to do what Parliament directs"? It is well known that Mr. Lane-Poole suggested the dropping of the Forests Bill.

Hon. W. C. Angwin: He wishes to be a dictator.

The MINISTER FOR MINES: I say Mr. Lane-Poole is one of the best foresters in Australia or in the British Empire; but I also say that Mr. Lane-Poole, like every other public servant, has to abide by the decision of Parliament. First of all, the Government were not called upon to go to Lane-Poole for a recommendation in this matter at all, because the power has been deliberately put by Parliament in a part of the Act which is altogether separate from the Conservator's functions. The power has been given to the Executive direct. However, we went to Lane-Poole and said to him, "You are going to London in connection with an exhibition. We suggest that, while in London, you should see Millars' directors and ascertain what is the best bargain

you can make with them in order to meet the wishes of Parliament but at the same time conserving the interests of the State." He went to London and approached Millars' directors, and came back here. Some misunderstanding arose, because Millars' directors thought he meant one thing and he said he meant another. Thus no progress was made. Since then Millars have asked that we should come to a decision upon the matter, in order that they might be enabled to formulate their forest policy. I could occupy the attention of this Committee for a considerable time in explaining why Millars, like every other big corporation, require to know what lies ahead of them for some years. If they have only a few years in which to finally complete their policy, they would have to set about cutting out all their remaining forests very quickly—with disastrous results to our forestry policy. If an extension of four or five years is assured to them, they can, on the other hand, formulate a very different scheme of operations. Eventually Mr. Lane-Poole suggested that we should exercise our discretion under the words referred to by the member for Sussex—"the Governor may." I know perfectly that in an Act of Parliament the word "may" means what it says, and does not mean "shall." Had Parliament enacted that the Governor "shall" extend the term of leases held by other persons, it would have been absurd, because those other persons might not accept extensions. The Act says that the Governor "may," if the leaseholders wish it, grant extensions. In my opinion, what Parliament had in view was not the discretion of the Conservator but the discretion of the Executive. That discretion refers to granting extensions corresponding to the periods during which the leaseholders were prevented by the state of war from operating on their leases, subject, however, to the leaseholders having paid the rents during the periods of suspension of operations and to their complying in future with the regulations except in so far as any regulation might conflict with their rights. I told Mr. Lane-Poole this, and I made the suggestion to Cabinet, and Cabinet approved of it. I also informed Mr. Lane-Poole that, the question having been decided, the Governor-in-Council was to be approached with a view to extensions being granted. I said to Mr. Lane-Poole, "I want you, as Conservator, to establish the facts regarding the periods during which operations have been suspended on the various leases. That is all you need worry about at the moment. Find out how long the companies have suspended operations, so that we may comply with the decision of Parliament." Not a move! Only a further recommendation urging that no extension be granted, "otherwise we shall have no forest policy for the next ten years, and my heart will be broken," and all the rest of it. Lane-Poole disagreed with the decision of Parliament. Frequently Acts are passed with which many of us disagree. But when a measure becomes an Act the Government must accept and observe it until Parliament otherwise determines. I disagree to the uttermost extent with one provision of this Forests Act which removes the control of revenue from Parliament, giving the Conservator control of three-fifths of the revenue raised under the measure. I consider that Parliament decided ill-advisedly in that particular. But as regards

the matter of extension there was no discretion vested in the Conservator: it was a matter of direction from Parliament to the Executive. For Mr. Lane-Poole as Conservator of Forests I have the greatest respect; but I care not who the public servant may be—whether it be the Auditor General, who is responsible only to Parliament, or whether it be, for the sake of illustration, the hall porter in the Mines Department—the public servant must obey the directions of Parliament. I venture to say that if the member for Sussex considers the question a little more closely, he will arrive at the conclusion that if Mr. Lane-Poole looked into the subject a little further, then Mr. Lane-Poole, as a person appointed by the State to perform certain services, ought to appreciate that his opinion on matters other than those connected with scientific forestry must give way to the opinions of Parliament. We are responsible to the public. There is never a session of Parliament but we have to give way on some point. Members disagree with a decision arrived at, but they have to give way; and Mr. Lane-Poole has to come to the same position. I have never yet declined a recommendation made by the Conservator on any matter dealing with the State forests; because Parliament has taken it out of my hands, and I do not feel that I am entitled to disagree. But when Mr. Lane-Poole refuses to act under the direction of Parliament, then he is not obeying the instruction of Parliament, which is supreme in all these matters. I want to conserve our forests, and I will protect any forest officer in all matters of technical knowledge. I believe Mr. Lane-Poole has a thorough technical knowledge. But he has made some proposals in regard to regulations under the Forests Act, which, while they would be perfectly satisfactory 10 years hence, are not practicable to-day. Mr. Lane-Poole is bound to get a bit of a set back from time to time. The man who looks for a smooth passage in introducing an entirely new policy is going to be considerably disappointed. It is that which is the trouble with Mr. Lane-Poole. As an expert forester he is second to none whom I know, but he does not seem to grip the fact that the interests of the State are placed in the hands of Parliament, and that he has to accept the dictates of Parliament. Even now I do not think the disagreement is of such magnitude as to justify Mr. Lane-Poole in asking the Government for permission to look for a job elsewhere.

Mr. A. Thomson: A terrible lot of money is at stake.

The MINISTER FOR MINES: No.

Mr. A. Thomson: Well, how much?

The MINISTER FOR MINES: Why ask, if you know?

Mr. A. Thomson: Why do not you tell the Committee how much?

The Premier: There is no money involved.

The MINISTER FOR MINES: If any money were involved the hon. member should have known it when he was a party to the passing of the Bill. How comes it that he wakes up at this late hour to the fact that Parliament has done something wrong, involving the country in a loss? I say that no money is involved.

Mr. A. Thomson: You know very well that a great deal of money is involved.

The MINISTER FOR MINES: There is some commonsense involved. Even if money were involved, it would have no bearing on the point at issue.

Hon. P. Collier: Yes, a hard-up State would be justified in considering it.

The MINISTER FOR MINES: Parliament arrived at a definite decision. Although the word "may" was used, the decision was definite.

Mr. O'Loughlen: It was not too definite.

Hon. P. Collier: What is your interpretation of "during the period of such extension"?

The MINISTER FOR MINES: There can be no misgivings about that. It means the period from that would have been the termination of the concession to the termination of the extended time, and it means that during that period royalties shall be paid.

Hon. P. Collier: You are now granting the extension under those conditions?

The MINISTER FOR MINES: Yes.

Hon. P. Collier: Well, surely that is the end of it!

The MINISTER FOR MINES: Their rights are conserved only in respect of existing leases. In respect of their extensions, they have to pay the royalty prescribed under the Act.

Mr. A. Thomson: They can cut any class of timber they like.

Mr. O'Loughlen: In respect of revenue the State cannot lose, but must gain.

The MINISTER FOR MINES: That is so. If they pay the royalty on the present prescribed rate, we shall gain considerably. That is the point. Whatever our views may be, we are actually granting to Millars an extension equal to the period lost in consequence of the war. I am quite sure that is not in conflict with the intentions of the members who agreed to the Bill.

Mr. Pickering: They were misled by the then Attorney General.

The MINISTER FOR MINES: Nothing of the sort. That is a reflection on every member who was then in the House. The hon. member could not make anybody believe that he himself was misled. What nonsense! Nobody was misled by that provision of the Bill.

Hon. P. Collier: It was passed at a very late hour that night.

The MINISTER FOR MINES: That may be so. I agree with the member for North-East Fremantle that certain provisions of the measure should not be there. Parliament had no right to hand over public revenues to any individual person. But on the point under discussion Parliament directed the Governor to do certain things. "May" was used, but only because "shall" could not be used in that connection. The "may" meant that in certain circumstances the Governor "shall." We have not exceeded the authority of Parliament in the slightest degree. The only difference of opinion is as to whether it be good policy to let the company have any extension at all.

Mr. O'Loughlen: Are the negotiations yet finalised?

The MINISTER FOR MINES: No.

Mr. A. Thomson: Will you give me a pledge that they will not be finalised until the member for Sussex has moved his motion?

The MINISTER FOR MINES: I will give the hon. member no pledge whatever, except that I will obey Parliament.

Mr. O'Loughlen: Is it likely to be decided before the hon. member can move his motion?

The MINISTER FOR MINES: Only the Premier can say that. I am not to be moved by either the member for Sussex or the member for Katanning.

Hon. W. C. Angwin: Or the Conservator of Forests.

The MINISTER FOR MINES: Or anybody else. The papers will disclose that the whole point of difference was that Mr. Lane-Poole desired that there should be no extension at all, that he wanted to set aside the decision of Parliament. Parliament decided the question, and he has to accept it.

Mr. McCallum: Did he put up any suggestion as to what was to be done with these areas?

The MINISTER FOR MINES: I do not know. At all events that has no bearing on it. Take a mining lease. They are on good stuff when the lease expires. Would the hon. member suggest that in spite of the moral obligation to give them an extension, we should step in and say "no"? That is exactly what is occurring on these leases. They paid the State £30,000 rental, and were unable to work their leases on account of the war.

Mr. Pickering interjected.

The MINISTER FOR MINES: If the hon. member can now see in it something wrong, it is a reflection on himself among others. He was in the House at the time. To say that he was misled by the then Attorney General is only a further confession of weakness on his part.

Hon. P. Collier: A split in the Ministerial ranks!

The MINISTER FOR MINES: The Government have conserved the interests of the State in this. We shall not lose financially, and we cannot lose much in point of conservation of the forests, because Millars, if they had only a restricted time in which to operate, would go in and cut down as fast as they could, without regard to the future.

Mr. Wilson: From what you say, anyone else would get the same consideration.

The MINISTER FOR MINES: Precisely, neither more nor less.

Mr. A. THOMSON (Katanning) [11-0]: Apparently it is outrageous that the members for Sussex and for Katanning should even venture a suggestion. With all due respect to the Minister, we are just as much entitled to our opinion as is he to his. There is considerable doubt about the interpretation of Sections 1 and 2, as regards "may" or "shall." It is all very fine for the Minister to say you cannot do this or that, but if the Minister had adopted Section 2 the company would have had to pay royalty from the very inception, instead of only during the period of extension.

The CHAIRMAN: I allowed the Minister to reply in full, but I think the hon. member is scarcely entitled now to go over the whole question again.

Mr. A. THOMSON: I want a definite assurance from the Government that these papers will not be signed until the member for Sussex has moved his motion. I trust the Premier will give that

assurance. I am not satisfied with the Minister's explanation.

The Minister for Mines: I did not suppose you would be, for you do not understand the subject.

Mr. A. THOMSON: For bluff and bully commend me to the Minister. But I am not going to be bluffed and bullied by him. I object to the Minister's attack upon the member for Sussex and myself. We are entitled to our opinion.

Hon. P. Collier: And we are awaiting it.

Mr. A. THOMSON: I want an assurance from the Premier that these papers will not be signed until the member for Sussex moves his motion.

The Premier: They may be signed.

Mr. J. Thomson: And I hope they will be signed.

Mr. A. THOMSON: The hon. member does not know anything about the subject. I believe there is a considerable amount of money at stake.

Mr. Simons: It means over a million pounds to Millars' money taken from the State revenue.

Mr. A. THOMSON: And it means that all other people in the timber trade are to be under the domination of Millars. Our own State saw mills have to pay a royalty of 2s. per load, yet people are willing to pay private owners of timber land £1 per load and drag it six miles to the mill. This is not a matter to be flippantly put on one side; it is a matter for serious consideration, and we are entitled to ask the Government not to sign those papers and give away the heritage of the State, unless the House is satisfied that the Minister for Mines is correct or the member for Sussex and I are correct.

The Minister for Mines: Why did you not fight it before? You helped to put in this provision.

Mr. A. THOMSON: I am asking the House to see that we protect the assets of the State.

The Minister for Mines: That is what we are doing.

Mr. A. THOMSON: If the Minister is correct, we must submit to the law. He is not infallible and may be making a mistake now.

Hon. P. Collier: Not now that he has gone over to the Ministerial side of the House. He used to make lots of mistakes when he was on our side.

Mr. A. THOMSON: I would like to get from the Government an assurance now that the papers will not be signed.

Hon. G. Taylor: I cannot guarantee that.

Mr. A. THOMSON: Surely the Premier can give his guarantee here.

The PREMIER (Hon. Sir James Mitchell—Northam) [11.5]: The member for Sussex has been making particular reference to what the Attorney General said when introducing the measure and has been regarding those remarks as law. He knows, however, that the law is the Act as it stands on the Statute book and it sets out that before extension the people who have a lease extended must pay such royalty as is prescribed by the Conservator.

Mr. Pickering: That is, coming under No. 1, where discretion is exercised.

The PREMIER: It is quite clear to members that not one penny more can be got from any

other person operating this lease after the expiry of Millars' lease.

Mr. Pickering: There is a considerable difference.

The PREMIER: I do not want to discuss the matter further. I would ask hon. members to think for a moment and to ask themselves, supposing they owned these leases, whether they would be willing to forfeit £1,000,000 as suggested by these gentlemen.

Mr. A. Thomson: You would get the increased royalties.

The PREMIER: It would mean that they would be paying £1,000,000 for the right of surrendering their lease. I did not think anyone would be so foolish as to suggest anything of the sort.

Mr. A. Thomson: That is not the statement I made. I said that we were losing revenue.

The Minister for Mines: You made no such statement.

The PREMIER: There is no hurry about this matter for a week or so but the leases may have been renewed by now for all I know. Mr. Lane-Poole had the papers and may have signed them now. We are simply administering the law and it is astonishing to find men who have made the law so ready to say that it should be set aside. This House deliberately made the law and the hon. member helped to make it.

Mr. Pickering: We deliberately amended the fourth section, you know.

The PREMIER: I can assure hon. members that this country will not lose one penny by the extension of these leases.

Hon. P. COLLIER: This is an important matter, and as the hour is late I move—

That progress be reported.

Motion put and passed.

Mr. SPEAKER: To-morrow it will be necessary for the Premier to move again for the suspension of the Standing Orders, and as he will be moving without notice, the motion will require 26 members in support. The resolution passed to-day authorised the suspension of the Standing Orders to enable the Bill to be passed through all its stages in one day.

The Premier: The Leader of the Opposition will have to help us to make up the 26.

Hon. P. Collier: Yes, I will do that.

BILL—TREASURY BILLS (SIGNATURES).

Returned from the Council without amendment.

House adjourned at 11.14 p.m.