

Legislative Assembly,

Thursday, 24th October, 1935.

	PAGE
Question: Secession	1800
Assent to Bill	1800
Bills: Loan, £2,627,000, Message, 1s.	1800
Entertainments Tax Act Amendment, 1s.	1800
Motor Accidents Compensation, 1s.	1800
Wilsons Water Board Further Loan Guarantee, 2s.	1812
Pearling Act Amendment, 2s.	1818
Financial Emergency Tax, 2s., Com. report	1818
Brands Act Amendment, Council's amendments	1818
Droving Act Amendment, Council's amendments	1820
Rural Relief Fund, Council's amendments	1821
Traffic Act Amendment, Council's amendments	1828
Loan Estimates 1935-36, Message, Com. of Supply ...	1800

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

QUESTION—SECESSION.

Hon. C. G. LATHAM asked the Premier: 1, Following on the conclusions of the Joint Select Committee which presented its report to the Imperial Parliament in May last, have the State Government yet made any representations to the Commonwealth Government to the effect that that Government should make a suitable request to the Parliament of the United Kingdom and thereby facilitate the passage of the Imperial legislation necessary to give effect to the desires of the people of Western Australia? 2, If not, will the Government take early action to make such representations to the Commonwealth? 3, If the answers to both the above questions are in the negative, will he indicate what other action has been taken or is contemplated in order to fulfil his undertaking to adopt any or all necessary steps to give effect to the majority decision of the people as expressed at the Secession Referendum?

The PREMIER replied: 1, No. 2 and 3, The whole matter is under the consideration of the Government.

ASSENT TO BILL.

Message from the Lieut.-Governor received and read notifying assent to the Plant Diseases Act Amendment Bill.

BILL—LOAN, £2,627,000.

Message.

Message from the Lieut.-Governor received and read recommending appropriation for the purpose of the Bill.

First Reading.

Bill introduced by the Premier and read a first time.

BILLS (2)—FIRST READING.

1, Entertainments Tax Assessment Act Amendment.

Introduced by Hon. P. D. Ferguson.

2, Motor Accidents Compensation.

Introduced by Mr. J. MacCallum Smith.

LOAN ESTIMATES, 1935-36.

Message.

Message from the Lieut.-Governor received and read transmitting the Loan Estimates for the year 1935-6 and recommending appropriation.

In Committee of Supply.

The House having resolved into Committee of Supply to consider the Loan Estimates; Mr. Sleeman in the Chair.

Vote—Departmental, £99,777:

THE PREMIER AND TREASURER

(Hon. P. Collier—Boulder) [4.38]: In introducing the Loan Estimates I propose to follow the usual course of outlining the main headings and leaving details to the Ministers in control of the various Votes. The gross programme approved by the Loan Council for Western Australia this year is £2,680,000. In addition, we were allowed to draw £200,000 against last year's programme to cover commitments on machinery under contract for the East Perth power house. The Estimates now submitted to the Committee total £2,677,000—I propose to leave out detail figures up to £100. Our requirements as submitted to the Loan Council were based on the money necessary to maintain our employment programme on the same conditions as operated last year. It has been suggested that we should provide full-time work, and of course we should like to be able to do so, but the extra cost for wages and materials would be absolutely prohibitive. Victoria submitted a programme to the Loan Council at its last meeting to provide full-time work. That proposal gave rise to considerable discussion. As the loan market obviously would not stand similar provision for all the States, the request was rejected by the Loan Coun-

cil, and Victoria's application was substantially reduced. From my experience—and I have attended many meetings—the Loan Council would not listen to any one State that requested sufficient money to permit of full-time work being given to all its unemployed while other States had to submit to the depression conditions that have operated over the last few years. Victoria's attitude at that meeting was opposed by the other States, the result being that Victoria was forced to come into line with other States respecting the loan money for employment. If all the States had made requests similar to that made by Victoria at the last meeting of the Loan Council, the loan programme in Australia would have been nearly doubled. The market would not stand that; the money could not have been raised except at exorbitant rates, even if it could have been raised at all. Our programme this year is based on a continuation of last year's policy. The benefits of stimulated employment and business in time of depression by a moderate loan programme are making themselves apparent. In addition to the reduction of the deficit by the saving effected on sustenance and the great advantage to men concerned of being in employment, conditions and business generally have improved. This has been responsible for a large number of men having been absorbed in private enterprise, thus leaving the hands of the Government. The figures in this connection given by the Acting Minister for Employment the other night when introducing his Estimates were both important and informative. The Loan Estimates, as presented, are entirely dependent on the ability of the Loan Council to raise the necessary money. At the last meeting of the Loan Council, when programmes for all States were approved, it was proposed to raise £12,500,000 in June and a further £12,500,000 in November. Owing to the poor response and partial failure of the June loan, it has been suggested in responsible quarters that the November loan must be reduced. That matter is to be discussed and decided at the forthcoming meeting of the Loan Council to be held at next weekend, and the Estimates now being presented are subject to any decision which may be reached at that meeting.

Hon. C. G. Latham: You mean for reduction only?

The PREMIER: Yes, there is no possibility of getting an increase. From what I

can gather, a suggestion will probably be made to the Loan Council that the next loan, instead of being £12,500,000 as agreed upon at the last meeting, might be reduced to £7,000,000. If the total loan moneys for the year are reduced by £5,000,000—of course the reduction will be spread over all the States—it will materially affect the loan programme of works of the different Governments, and will have an effect on the Budget position of the States. If we take men off loan works, they automatically go on to sustenance. I cannot say what will happen at the next meeting of the Loan Council, but I have an idea that the Federal Government will endeavour to reduce the amount of the loan. To reduce loan expenditure would not affect the Budget position of the Commonwealth, but of course it would affect the States materially. Here the Commonwealth Bank Board come into the picture, because the Commonwealth Government cannot afford to put a loan on the market unless it is underwritten by the Commonwealth Bank. Unless the loan were underwritten, there would be a tremendous risk which the Commonwealth Government could not afford to take. That is where the Commonwealth Bank Board come in. Hence the Loan Council must obtain the consent of the Commonwealth Bank Board to underwrite the loan.

Hon. C. G. Latham: The Commonwealth Bank Board do not want to be landed with too much of it.

The PREMIER: That is so, and that is why the Commonwealth Bank Board exercise such a powerful influence at Loan Council meetings. They are entirely outside the influence of the Loan Council or of Governments. It is within their province to say that they will or will not underwrite a loan. If they agree to underwrite a loan, they do so only on terms satisfactory to themselves. If they refuse to underwrite a loan, the Commonwealth and State Governments are placed in a very difficult situation. The Commonwealth Bank cannot afford to carry too much floating debt, and at all Loan Council meetings I have attended in recent years the Commonwealth Bank Board has fought strenuously for a reduction of the floating debt. The Bank, however, has agreed to underwrite our loans on condition that portion of the money is devoted towards redeeming the floating debt, so that their obligations may not be increased. There is another aspect of the

question into which I do not desire to enter, namely, the service the Commonwealth Bank might reasonably be expected to give to the nation in times of financial difficulty, apart altogether from what might be considered safe banking methods. I propose to attend the next Loan Council meeting, as I think it is important that this State should be represented. I go myself, only because I have had considerable experience of Loan Council meetings. I am going to oppose any curtailment of the Loan programme for this year, that is, the programme agreed to at the earlier meeting of the Loan Council.

Mr. Doney: Would not any curtailment be automatic?

The PREMIER: If any lesser amount than that which was agreed upon by the Loan Council should be raised, the application of it would be automatic.

Mr. Doney: That is what I mean, irrespective of any attitude you may adopt.

The PREMIER: Yes. I am going to oppose any reduction in the amount agreed upon at the last Loan Council meeting. Suppose a majority is against me, and a reduction is decided upon, from £12,000,000 to £7,000,000, automatically the reduction will apply proportionately to us as well as to the other States. As explained by the Acting Minister for Employment, it is becoming increasingly difficult to find suitable work which would be reproductive and provide a reasonable percentage of the total cost in payment of wages. This matter is receiving constant attention at the hands of the Government. It may be that on occasion works are turned down by the Government which might be justified in other circumstances, turned down because the major portion of the expenditure would be in material and not in labour. We have always to keep in mind how best we can employ our men, and how far the money at our disposal may be utilised for the employment of men and not in the purchase of material.

The Minister for Justice: Especially imported material.

The PREMIER: It does not apply to material drawn from within the State. Cement pipes, for instance, would come under that heading. There might not be so many men employed on the actual work, but others would be employed in the manufacture of pipes. Any material that is manufactured within the State we regard as representing employment of labour with-

in the State. The Commonwealth Government have made available assistance represented by the sum of £120,000 for works, and £100,000 for forestry, on a pound for pound basis with the State expenditure.

Hon. C. G. Latham: Pound for pound from loan funds or from revenue?

The PREMIER: It would come from loan funds. It is the kind of work we would carry out with loan money if we had it. It is really an addition to our loan.

Hon. C. G. Latham: It is a grant, not an advance.

The PREMIER: It is a grant. Our contribution would come from loan fund. The Commonwealth Government have also granted £50,000 for prospecting. This welcome assistance has enabled certain work to be put in hand which could not be financed wholly from State funds. Unless there is a marked improvement in the unemployment conditions within the next year it will be impossible for the States to continue works without assistance from the Commonwealth on a more liberal scale. The proposals for the current year are summarised in the Estimates now before members. The comparison between them and the 1934-35 Estimates is as follows:—

	Allocation this year 1935-36.	Expenditure last year 1934-35.
	£	£
Departmental	99,777	86,735
Railways, Tramways, etc.	562,500	492,519
Harbours and Rivers ..	250,500	291,293
Water supply and sewerage	1,143,500	1,068,521
Development of goldfields	50,000	59,164
Development of agriculture	340,500	414,649
Roads and bridges, buildings, etc.	230,244	371,304
	<u>£2,677,021</u>	<u>£2,784,185</u>

The provision under the heading of railways and tramways shows an increase of £70,000 over last year. This programme is to overtake belated repairs, and special maintenance is being continued. The total amount expended to the 30th June last, was £362,596, of which £170,000 has been recouped from revenue. An additional £100,000 will be charged to revenue during the current year. It is proposed to make an annual appropriation from revenue of a similar amount until the total cost has been cleared. The provision for rolling stock has been increased from £6,724 expended last year to £100,000. This very great increase accounts for the additional allocation under the main heading of railways and tramways. In recent years the expenditure on rolling stock was confined principally to

minor improvements to locomotives and trucks. Work in that direction will continue. In addition, a five-year plan to bring our stock up-to-date will be commenced. It is estimated that a total sum of £273,000 should be expended on new stock. Unless a commencement is made now, the railways will not be able to cope with the new traffic. The operation of the Transport Act places on the Railway Department the obligation to provide adequate service. Many improvements are urgently desirable, especially the provision of faster passenger services over country lines. It is proposed to introduce rail cars for passengers and for parcel delivery. Under the rolling stock item an amount is provided for this purpose. The principal works last year under the item for additions and improvements were—

Coolgardie-Norseman—ballasting.

Caron-Mullewa—relaying.

Waroon-Picton—reballasting.

Wongan Hills-Mullewa—ballasting and re-sleepering.

Goomalling-Wyalkatchem—regrading.

Narngulu-Mullewa—deviation and regrading.

Further regradings and deviations are in hand, and this expenditure is fully justified by reduction in working costs. I need not dwell on this aspect. Hon. members are aware of the service that has been given in country districts—the delays, the time occupied because of steep grades. The Government have concentrated attention during the past two years on regrading, so as to reduce grades and enable the service to be not only faster, but also cheaper in point of cost. Personally I look back with amazement on how successive Governments, including my own, have been blind to the economy of relaying. I remember a line about 60 miles long all of a pretty even, good grade, but with one spot in the 60 miles that was steep and difficult. Thus the load over the whole 60 miles was governed by that one difficult grade. The cost involved to the department was great, and the time involved was excessive. I have that particular line in mind, but there have been others. A great deal of work has been carried out in regrading the line from Brunswick to Collie, one of the slowest sections in the whole system.

Hon. C. G. Latham: The Greenhills line wants looking after in that respect.

The PREMIER: On one section between Brunswick and Collie one can walk along the railway and await the train at the top of the hill. The number of trains pass-

ing over that section is greater than the number passing over any other section of our system, because of the coal traffic. We are regrading the section; and I may add that the Railway Department are paying special attention to the regrading of the system so as to secure a better and faster service, not only with good results to the department but with greater conveniences to the users.

Hon. W. D. Johnson: The expenditure will be reproductive.

The PREMIER: Absolutely. This is the best reproductive work we have been engaged on during recent years. The Railway Department have shown it to be reproductive to the extent of at least 5 per cent. One good effect of the depression—if good effects can be derived from it—is the regrading of our railways. Other works under construction are—

Beatty-Yalgori—deviation and regrading.

Beatty-Mullewa—deviation and regrading.

East Northam-Waer—reballasting.

In association with regrading, reballasting is necessary, so that the speed of trains may be increased. The two go hand in hand to give a faster service. And there is not only a consequent increase in speed, but also an increase in the margin of safety. The time taken by the train between Kalgoorlie and Port Augusta, on the Commonwealth line, could be reduced by several hours if the whole of the section were ballasted. Portion is ballasted, and over that portion the train can run fast; but over the considerable unballasted portion the train has to be slowed down. One cannot take a train over an unballasted line, laid on the surface, at the same speed as over a properly ballasted line. That is why it appears to me the Commonwealth are neglectful in not having ballasted the whole of that railway, thus enabling the train to be speeded up and the time occupied between Kalgoorlie and Port Augusta to be reduced. Under the Tramways Vote £25,000 is provided for a new central substation for Perth. There is a big increase on that item, but the new substation has been required for many years and cannot be longer deferred. Tenders for machinery for the East Perth power station have been accepted, and a commencement has been made with foundations for the new building. Last year's expenditure includes a sum of £200,000 which has not yet been

paid to contractors, but, as explained in my introductory remarks, is held in suspense. Behind that there is a story which I shall not make public, a story concerning the Loan Council. The amount provided this year, £175,000, will, with the £200,000 provided last year, meet all commitments, including exchange, to the end of the current financial year. Small amounts have been provided to meet survey expenses, settlement of land resumption claims, and preliminary work in connection with the following new lines:—

Yuna-Dartmoor.

Southern Cross Southwards.

I hope it will be borne in mind that I have said that the preliminary work has been started. Regarding harbours and rivers, the expenditure last year was £291,293, while the provision for this year is £250,500, showing a decrease of £40,793. The completion of the new jetty at Esperance last year accounts for £38,882 of that decrease. There is also a decrease of £24,800 in the provision for the Geraldton harbour, but an increase of £18,315 for harbour facilities in the Roebourne district. The other provisions under this particular heading are much the same as they were last year. Work on the reconstruction of the portion of the Ashburton jetty that was destroyed by a cyclone in 1933, which was commenced last year, is expected to be completed this year. The provision made for that work is £25,000, compared with £19,388 spent in 1934-35. At Bunbury further progress will be made with the extension of the breakwater, work in connection with which was commenced in 1933-34. Operations on the new groyne will be continued and the jetty improvements advanced. Last year work at the Fremantle harbour was mainly confined to the reconstruction of the North Quay. The section that required urgent attention has been completed and work has been transferred again to Victoria Quay. The reconstruction of the 35th section of the work there is being proceeded with, and the reconstruction of the sheds is also in progress. The item relating to Roebourne district harbour facilities provides for the construction of the approach and the jetty at Point Sampson. Preliminary work was carried out last year and during the current 12 months the approach will be completed and the jetty work advanced to the final stages. Members will see

that £5,000 has been provided for additions and improvements generally in the North-West. The principal works will be improved jetty and shed accommodation and provision of insulated trucks in connection with the banana-growing industry at Carnarvon. With regard to water supply and sewerage, this section covers the water supply, sewerage, irrigation and drainage requirements of the State, including the Canning dam and metropolitan sewerage work. The provision for this year is £1,143,500. The expenditure last year represented £1,068,521, so an increase is shown there of £74,979. With reference to towns' water supplies, the expenditure last year included the cost of completing the Mungallup scheme to serve Collie and a new gravitation main to Geraldton to make available an increased supply. The provision of funds this year will be applied to further improvements to the Geraldton supply and to meeting the State's share of the cost of schemes approved under the Commonwealth works programme. As to water supplies on stock routes, the provision on the Estimates is for improvements to supplies generally. In certain areas there has been a change-over from cattle to sheep and the provision of additional wells at lesser distances apart is an urgent necessity. As to the sewerage and drainage requirements of Perth and Fremantle, the provision on the Estimates for this year represents £375,000. The expenditure last year was £315,625, so there is an increase there of £59,375. Last year the construction of the main sewer for the Claremont-Cottesloe area was completed and a commencement made with the reticulation of the district. The Perth gravitation sewer to carry sewage from the south side of the river was commenced and further progress made towards the completion of the Maylands-Inglewood drainage scheme. This year the reticulation of the Claremont-Cottesloe area will be practically completed. Pumping stations Nos. 1 and 2 in the Claremont area and a pumping station in the Cottesloe district will be constructed. Work on the Perth gravitation sewer is well up to schedule and every effort will be made to close the Burswood filter beds about the middle of next year.

Members: Hear, hear!

The PREMIER: That is a very important stage in the development of the city along those lines, and we certainly hope to close

the filter beds about the middle of next year. Work in connection with the reticulation mains in the Maylands, Victoria Park and South Perth areas will be commenced during this year. This comprehensive scheme for the sewerage of the thickly populated areas on the south side of the river and the elimination of the Burswood filter beds was forecast last year, and will be an accomplished fact next year. Fuller particulars regarding these various works will be supplied by the Minister during the discussion on individual items, if members desire further information. In the water supply section affecting the metropolitan area, the principal work in progress is the Canning dam. Last year members had an opportunity to visit the dam and I feel sure that what they saw on that occasion served as a stimulus to continued interest in this great work. The progress made is well up to schedule, although shortages in the supply of cement have prevented the continuous employment of a second shift. The laying down of contour drains to carry the water from Canning to Gosnells has been commenced, but the drains will not be in use for another year. The present storage at the Canning dam is 80ft. of water, which is equal to approximately 800,000,000 gallons. During the coming summer it will be possible to provide a fairly large proportion of hills-water to the metropolitan area and, with the completion by Christmas of a 24-inch main on the south side of the river, the supply to Fremantle will be of a high quality. The bores at Fremantle, which have been the most objectionable of those operated in the metropolitan area, will be closed down, and, in addition, it is not anticipated that the Claremont bores will be brought into use. The Osborne Park bore will operate intermittently only, whenever extreme demand occurs. The Loftus-street and King's Park bores will have to be carried on as in previous seasons, but with the continuation of the work at Canning it is expected that all the bores will be closed down the following summer.

Mr. Marshall: The electors might give you a hand to do that, next year.

The PREMIER: The elimination of bores will relieve pumping costs charged to revenue. For the current year the saving in that direction is estimated at £4,000. To meet the demands of the present and for some time to come, it has been necessary to increase the storage capacity in the metro-

politan area. A new reservoir at Buckland Hill has been completed, and work is proceeding on the enlargement of the reservoir in King's Park. The only storm-water drainage work of any importance contemplated during the year is the continuation of the Maylands-Inglewood scheme. Getting away from the metropolitan bores, I shall now refer to the goldfields water supply. Last year 32½ miles of the main was reconditioned, and 19 miles of various sizes of new steel and wood pipes were laid. To the 30th June last about one-half of the main had been either reconditioned or relaid. I do not know that the public, or even members for that matter, are aware of the amount of money required for relaying and reconditioning the pipes carrying water to the goldfields.

Mr. Marshall: I think the life of the old pipes exceeded the expectations of everybody.

The PREMIER: I believe so; but of course science is marching forward every day, and the engineers of to-day have at their disposal knowledge and experience which the engineers of that time did not possess. We know now that instead of expending a large amount of money in digging trenches in which to place the pipes and then covering them over, their life would have been longer if they had been laid on the surface. Of course this is knowledge that we acquire as the result of experience in the progress of science. Members will have noticed that the pipes are now being laid on the surface, and not underground, because it was found that pitting took place from the outside as well as from the inside. However, I do not think we should find fault with the work of those engineers who were responsible for the laying of the pipes originally, and any improvement in connection with the relaying now taking place need not be regarded as a reflection upon the engineers of the past. It merely means that the scientific knowledge we possess to-day enables us to do the work in a different way. To the 30th June last about one-half of the main had been either reconditioned or relaid. About 140 miles remain to be done, and at the present rate of progress this will take three years to complete. The major portion of the new piping has been provided, and the remaining lengths to be supplied are approximately 12 miles of 36in. steel, three miles of 24in. steel, and six

miles of 30in. wood. A portion of the main is being re-laid with wood pipes. We regard this as an experiment, and we have reason to believe, after careful investigation and consideration, that the wood pipes will come up to expectations. This year about 50 miles of the main will be treated. Re-conditioning and improvement to the main were delayed rather too long. I remember when in office on a previous occasion I had a request from the heads of the department to provide money for re-laying a section of the pipe-line, but the difficulties were such that I was not able to accede to the request. A similar situation must have confronted the Government that succeeded us.

Hon. C. G. Latham: Except that the position was a little worse.

The PREMIER: The money was not available.

Mr. Watts: What would be the cost per mile?

The PREMIER: I cannot say, offhand.

Hon. C. G. Latham: A fairly considerable amount.

The PREMIER: I have not the information here, but I shall be glad to supply it to the hon. member. The re-conditioning and the improvements were delayed too long; but it was realised that we could no longer take the risk of a breakdown. From both the State and the Federal viewpoints, this work should continue at the present rate of progress until the whole main is in a thoroughly efficient state. A part of the expense attached to improving storage along the main is being met under the Commonwealth scheme of works. Here may I say that while we are prone to criticise the Commonwealth Government—I have done so myself—that Government have met us pretty fairly in some respects, and particularly in the direction of assistance to mining and re-forestation they have not been at all niggardly during the past year. Part of the cost of certain branch mains to serve mining areas is also being provided from Commonwealth assistance.

Hon. C. G. Latham: That is with money on a pound for pound basis?

The PREMIER: No, not on a pound for pound basis; they do not go as far as that. The Commonwealth provides a total sum for certain purposes, and if we should decide to have branch mains from the gold-fields service, the total cost might be £100,000. But that is not to say the Com-

monwealth find half the cost. Portion of the money that is given to us generally might be devoted to that service, but not on a pound for pound basis. A branch main to Yellowdine has been completed and water is now being supplied to mines in that area. A new 6-inch main to Bullfinch is under way, and an extension to Marvel Loch to serve new mines opened up in that area has just been completed. An extension of this main to Burbridge is under construction. I remember when I was Minister for Water Supply in the Scaddan Government 20 years ago, I had occasion to deal with the extension of the water to Marvel Loch. I well remember approving of the main going out there. But steel pipes do not last very long in that country, and so we have had to relay the line.

Hon. C. G. Latham: Putting in bigger pipes?

The PREMIER: Yes, with a view to extending the line from Marvel Loch to Burbridge, which is some 20 miles farther on. Every consideration is being given to the water requirements of mining districts that can be served from the eastern gold-fields water supply. Negotiations for a new main to Norseman are proceeding, and it is expected the work will be commenced within a few weeks. That is an important matter, because it involves a very big expenditure. The whole work will not be completed this year. The conditions of mining in the Norseman district are such as to make us feel justified in this expenditure of public money for the purpose of opening up and developing the mines down there. Without this service the mines could not operate at all, for Norseman, ever since its discovery, has been a notoriously difficult district in which to provide water supplies. Although one may question the wisdom of expending large sums of money on water supplies in goldfields districts, nevertheless it has to be remembered that if the district survives for only three or four years it will repay the State the money expended on the water supply.

Hon. C. G. Latham: Is the No. 1 pumping station capable of dealing with the whole quantity of water?

The PREMIER: Yes, so far as I know.

Hon. C. G. Latham: The trouble in the old days was the difficulty of getting the water through.

The PREMIER: I have not specifically gone into that question, but I think if there were any doubt it would have been brought under my notice. I could not offer an opinion on the point raised, but I feel sure the responsible officers would have brought it under my notice if there had been any doubt about it. Revenue will be considerably increased by this expenditure on water supplies and, more important still, avenues are being opened for the employment of men in the mining industry. There are one or two other mining water supplies. Amounts have been provided for improvements to water supplies in other mining areas, principally the outlying portions of the eastern goldfields and the Murchison area. Last year the Leonora supply, used principally by the Sons of Gwalia mine, was improved by the provision of five miles of 6-inch pipeline. This year the mining supply at Meekatharra will receive attention. Turning to water supply, irrigation and drainage on agricultural areas, last year the major works concerned with drainage and irrigation of the South-West area from Pinjarra to Bunbury were completed or advanced towards the final stages. I do not know what the member for Murray-Wellington (Mr. McLarty) will find to ask for now. Irrigation channels from the Wellington dam to serve the Collierlands area were completed, and the waterings of settlers' holdings were made last summer. Technical advice for grading blocks and for the use of the water has been made available to settlers, and full benefit of the scheme is now on the way to realisation. Considerable progress has been made with the Harvey, Wagerup, and Waroona drainage and irrigation schemes, which are expected to be completed this year. It is not proposed to undertake any additional comprehensive drainage work in the South-West during the present year, but endeavours will be undertaken to make more adequate provision for water supplies in the wheatbelt. Apart from the construction of tanks, the possibility of underground supplies will be more extensively explored. Shallow boring operations have been carried out more or less continuously for a long period of years, but unfortunately with no great success. It is proposed this year to test a considerable portion of the outlying wheat areas by the employment of three plants, capable of

boring to 500 feet. If success attends these efforts, the carrying capacity of farms in the outlying districts will be enormously increased, and farmers will not be so dependent upon wheat as their only means of livelihood. Coming to the section of the Estimates dealing with the development of goldfields, last year £59,164 was expended and the estimate for this year is £50,000, a decrease of £9,164. The amount provided under this heading will be supplemented by the grant made by the Commonwealth for prospecting, and in total the amount available will be not less than that of last year. At present about 700 men are engaged under the State prospecting scheme and about 800 under the arrangement with the Commonwealth. A number of the men who have been assisted in the past have found their feet and have repaid the amount provided by the State. Actually, about 14 per cent. of the total amount expended has been recovered and the value of the gold won is far greater than the total cost. Probably the best feature of the scheme is the training in mining pursuits acquired by a large number of the men. Many have been enabled to obtain permanent employment in the industry. Provision has been made for batteries, and here again the efforts of the State are being assisted by the Commonwealth grant. Commonwealth money, however, is earmarked entirely for the encouragement of private batteries and for water supplies to batteries. On development of agriculture last year the expenditure was £414,649 and the estimate for this year is £340,500, a decrease of £74,149. Decreases are shown under the following headings:—

	£
Abattoirs	30,569
Development of agriculture, lands, etc.	32,770
Group settlement	5,974
Forestry	51,084
Total	£120,397

The increases are—

	£
Assistance to settlers and industries	45,579
Land settlement of soldiers	669
Total	£46,248

The decrease in the abattoirs item is due to the completion of the enlargement of the Midland abattoirs. The amount provided for this year is to finalise accounts and to carry out improvements to

stockyards at Kalgoorlie. The Vote Development of Agriculture (lands) covers reconditioning of holdings and land settlement schemes, principally at Nornalup, Nannup and Albany. Reconditioning work has been carried on by single men, purely as an unemployment relief measure, which, though not immediately reproductive, has added greatly to the value of the areas. It is not intended to extend these operations, but rather to close down gradually as the men at present engaged become absorbed in industry. Efforts have been made to reduce as far as possible expenditure on group settlement. The amount expended last year was the lowest since the inauguration of the scheme, and it is hoped that this year a further reduction in the amount of advances will be possible. The decrease in the amount for forestry is more apparent than real. Since April last the State scheme has been supplemented by a pound-for-pound subsidy from the Commonwealth, so that actually a total of £200,000 will be expended in forestation work during the current year. That is a very large sum of money, but I think it will be money well spent. No Government or Minister could be accused of unwisely spending money under this heading because the return will be reaped by some Treasurer 30 or 35 years hence.

Hon. C. G. Latham: A lot of us will not be here to see it.

The PREMIER: Expenditure on forestry is sound business and I hope members will view it in that light, though I am afraid the member for Nelson will not. Although this expenditure will not place a few farmers on land in the South-West to vote for him next year, it will achieve something urgently necessary from the viewpoint of national economy in the matter of timber supplies when we have passed away. We should preserve our timber supplies at all costs.

Hon. W. D. Johnson: That will have the hearty support of the member for Nelson.

Mr. J. H. Smith: Yes, where reasonable.

The PREMIER: Whether it brings votes or not. The forestry scheme put up to the Commonwealth by the State Government covered a three-years programme for a total expenditure of £600,000. It was proposed to continue reforestation work on the scale carried out during the past three years and, in addition, pick up the leeway in the regeneration of forests, which were so sadly neglected in pre-war years. The

Commonwealth adopted the scheme for one year, but it is hoped that provision will be made later to complete the re-establishment of this national asset. The impetus given by the arrangement with the Commonwealth permitted of a considerably increased area being treated. Last year a total of 49,429 acres was treated for regeneration of jarrah, karri and mallet forests. The total area so far dealt with is 260,329 acres. Over 1,000 men are now employed in that work. On unproductive poison country along the Great Southern Railway extensive additions to the mallet reforestation programme were made. A further 1,200 acres were sown, bringing the total area of plantations established to June last to 6,609 acres. A further 673 acres have been cleared. Young mallet are continuing to show wonderful growth under the low rainfall and poor soil conditions, and the prospects of a highly profitable return from otherwise useless land are very bright. The member for Wagin will no doubt be interested in this phase of the matter, for most of these young trees are being grown in his district. Much of the poor land will be an asset to the State so long as we carry on the work of rejuvenation. The whole of the work during the current year will be carried out in accordance with the programme agreed upon with the Commonwealth. With regard to the Agricultural Bank, as it affects the loan position, the alteration in the method of collecting interest from that institution materially affected the amount of capital provided last year. It was unnecessary last year to supplement repayments collected by the Industries Assistance Board, but this year owing to drought conditions in the north-eastern wheat belt, advances for fodder, etc., seem inevitable. Every consideration will be given to those who are in need of assistance, and already arrangements have been made to ensure that stock will be provided for. I now turn to roads and bridges, public buildings, etc. The expenditure last year was £371,304 and this year £230,244, a difference of £141,000 less than last year. The expenditure last year included the following amounts recouped to Loan Suspense Account in respect of expenditure during 1933-34:—

	£
Roads and bridges	75,465
Loans and grants	20,000
	<hr/>
	£95,465

Apart from this adjustment the provision for roads and bridges has been very much reduced. The amount provided will be allocated to the provision of roads not covered by the Federal Aid Roads Scheme. Although the construction of roads does relieve the unemployment situation, every effort is being made to divert as much employment as possible into more directly remunerative works.

Hon. C. G. Latham: A good deal of expenditure goes on maintenance immediately a road has been built, unless it has been top-dressed.

The PREMIER: That involves perhaps a difference of opinion between the Government and the local governing bodies. I think the policy at present is that anything that may be regarded as a main road should be top-dressed. It is the policy of the Main Roads Board that the cost of maintenance of these roads shall be reduced to a minimum in preference to keeping an army of men employed in their maintenance. Further capital will be made available for workers' homes. Last year a sum of £35,000 was provided.

Hon. C. G. Latham: But not all spent.

The PREMIER: No. This year the amount will be reduced to £15,000. The money was not all spent last year because there was not any demand for workers' homes. The board has not kept anyone waiting longer than was necessary for the making of the requisite inquiries. From the day when a man lodges an application for a workers' home until he receives the final decision of the board, perhaps six months will have elapsed. That is not because of the want of funds, but because it is necessary for the board to satisfy themselves about every applicant. May I make a further reference to this for the benefit of my own electors and the goldfields people generally? There has been a strong agitation owing to the increased price of gold and the improvement in mining conditions which have been followed by a very considerable increase in population, especially in Kalgoorlie and Boulder and some other districts, for the provision of homes there. It is difficult for people to find accommodation nowadays. The year just preceding the year when the depression struck us, coincides with the year of increased prosperity on the goldfields, because of the gradual increase in the price of gold. Prior

to that time there was a very great depression in mining generally. Costs have increased tremendously, but the price of gold remained the same. Men engaged in the industry found that employment was not available for them. They, therefore, had to leave their homes and sell them for what they could get for them. I know of scores of cases in which houses which had cost from £400 to £600 were sacrificed for £30 or £40 and were removed to other parts of the State. Hundreds of houses in Kalgoorlie and Boulder were removed. Of late years the position has entirely changed. The measure of depression which overcame every other section of the community, whether in the case of the wheatgrower or the woolgrower, has amounted to a measure of increased prosperity for the gold-mining industry, because of the increased price of gold. There is now a great shortage of homes. All that has been said, and all the complaints that have been made under this heading are correct, I do not doubt. I have come in for a fair measure of criticism from my electorate, and from those people represented by the member for Kalgoorlie because the Workers' Homes Board have refused to provide money for the erection of homes there. It should be clearly understood that the Workers' Homes Board is not subject to the control of any Minister or any Government. Under the Act they have a free hand. I know of the Bill that has been introduced in another place affecting that position, but I hold it would be entirely wrong for the Act to give the Minister power to say "You erect a home here or one there."

Hon. C. G. Latham: With divided authority like that, there never could be success.

The PREMIER: No. There would be all kinds of political influence then. Say an elector of mine applies for a worker's home, and his application is turned down on the merits. Then suppose it comes back to me, and there are influences behind, and I give instructions to the board to build a home for this elector of mine. That would not be fair. Of course I am speaking merely supposititiously. Or it might be an elector of the Leader of the Opposition, and then I might say to the board, "Don't bother about him."

Hon. C. G. Latham: Now I do not believe you!

The PREMIER: I am merely illustrating the possibilities. I would sooner turn down one of my electors than anybody else. In my administrative capacity I have never given any consideration to people in my electorate just because I happened to be where I am and they happened to be electors of mine. I think my disposition would be rather to be unfair to my own electors. However, there is the possibility I have indicated. The Workers' Homes Board have ample power to build homes on the goldfields if they consider them a sound proposition.

Hon. W. D. Johnson: Of course the board are under Ministerial control; the policy is the Government's policy.

The PREMIER: No.

Hon. W. D. Johnson: The Act distinctly says that.

The PREMIER: Oh, Ministerial policy! But that does not say, "Go and build homes on the goldfields."

Hon. W. D. Johnson: I should think so.

The PREMIER: I do not think so. I would not like to take such a responsibility.

Hon. W. D. Johnson: The Act gives it to you.

The PREMIER: The board have said, "We are not going to expend public funds on the erection of homes on the goldfields." Suppose the Act gave me power to say to the board, "The policy of the Government is that you should build homes on the goldfields."

Hon. W. D. Johnson: That is so under the Act.

The PREMIER: Would the Government be justified in saying that to the board?

Hon. W. D. Johnson: No. I do not say you should use that power, but I say you have it.

The PREMIER: It would be a most improper thing for the Government to exercise such a power over the board, to say to them, "It does not matter what you have decided; this is our policy." The board say, "It is a bad business proposition, and we will not do it." Then the Government say, "Nevertheless you go and do it."

Hon. W. D. Johnson: Of course that would be quite wrong.

The PREMIER: It is a matter of policy. I notice that the members of the Kalgoorlie Municipal Council, old friends of the member for Kalgoorlie, have carried a resolution asking me to set aside £10,000 for the erection of workers' homes on the goldfields.

Mr. Cross: Why do not they do it themselves? They have plenty of money.

The PREMIER: I was coming to that point; the hon. member has anticipated me. The Kalgoorlie council say, "It is good security and a good investment, and the money will be repaid within a certain number of years." If it is a good investment, why do not the moneyed men on the goldfields, of whom there are plenty to-day, business men and others with money to invest, put their money into this splendid investment? To-day there are in Kalgoorlie and Boulder a considerable number of men fairly wealthy—wealthy in the sense that they have money to invest. They are investing money in all kinds of enterprises, according to their judgment. If workers' homes on the goldfields are such a splendid investment as the Kalgoorlie council say, returning a fine rate of interest to the Government, how is it that those men of Kalgoorlie and Boulder with money to invest are not rushing the investment? Possibly they do not want to interfere with State enterprise! The Kalgoorlie council, of course, have not the money; but the Kalgoorlie council, if I may say so, are one of the very few councils in all Australia free from debt. The Kalgoorlie Municipal Council do not owe a shilling to anybody. They have property in the shape of endowment lands vested in the municipality during the early days, and upon those endowment lands are erected big business premises, including hotels. They are getting good rates of rental from those premises. I repeat, they do not owe a shilling. They have a perfectly good electric light scheme, which is making use of wood fuel; and they are so wealthy that they are going to scrap that scheme to put in oil. This naturally will mean throwing out of work a considerable number of men on the fields who supply the firewood for the electric light scheme. By the proposed change the scheme will not be improved. The Kalgoorlie ratepayers will not receive any better service under the new scheme than they obtain under the present one. However, the Kalgoorlie council have money to burn.

Mr. Patrick: Will they do this out of revenue or are they borrowing?

The PREMIER: They are going to borrow the money required; that is, if they can borrow. Or they propose, I believe, to raise the money by a bank overdraft. Of course the banks can look after their own business.

Mr. Thorn: They generally do.

The PREMIER: But I am just wondering whether the council will get the money. Some of those who criticise the Workers' Homes Board, and, incidentally, criticise me because I do not force the board with reference to this matter, themselves have money to invest, and why do they not embark upon a housing scheme?

Hon. P. D. Ferguson: Could the council do that?

The PREMIER: I am referring to these several individuals in their private capacities.

Hon. C. G. Latham: Rents are very high on the goldfields.

The PREMIER: They are, altogether too high. That is where the law of supply and demand comes in. The demand was great, and the supply was not available, consequently rents increased.

Hon. C. G. Latham: As a matter of fact, the House might consider giving the council authority to embark upon a housing scheme. I do not think we would oppose such a proposal.

The PREMIER: We might allow them to provide funds for that purpose.

Hon. C. G. Latham: They do it elsewhere.

The PREMIER: Yes. When I refer to the law of supply and demand, I would point out that it is not quite as it was understood by a candidate for Parliament at an election held during the turmoil of the war years. He was speaking at Kalgoorlie, and I may add that he lost his deposit as a tribute to his intelligence.

Mr. Thorn: If he lost his deposit, his opinion would not be worth much.

The PREMIER: It was a tribute to the intelligence of the Kalgoorlie people. An elector put the perfectly honest question to him, "What do you think of the law of supply and demand?" The candidate's answer was, "It does not exist. Billy Hughes repealed that law last year." I assure members that is a true bill.

Mr. Sampson: No wonder the Federal Parliament thought so much of Mr. Hughes.

The PREMIER: Need I point out that the man was not one of our candidates? However, to return to my references to the Workers' Homes Board, the board have accumulated funds and it is not now necessary to supply them with capital on the same scale as in previous years, to maintain a steady programme. That is why there is the reduction indicated in the Estimates. The

capital of the board from funds provided by the State to the 30th June last amounted to £685,491. That amount together with repayments have been employed in financing loans to 3,641 applicants for a total sum of £1,490,000. The board's programme is directed, as far as possible, towards securing stability in the building trade. We do not desire to push on with the erection of homes if there is a great scarcity of labour because of the erection of large buildings. If there is activity in the building trade, all the skilled workers are employed, but whenever there is slackness in the trade, we can push on with our programme and so we keep in mind the condition of the labour market. Last year 49 houses were completed, of which 26 were freehold and 23 leasehold. The amount owing by borrowers represented £725,157, and careful management has placed the board in a very sound financial position. To revert to my reference to the Kalgoorlie Municipal Council, I should have remarked that one councillor said it was well known that great losses had been made by the Workers' Homes Board and that the goldfields people had had to contribute their share in taxation towards making good those losses. I wrote a letter in reply to that statement to-day, and remarked that it was well known that great losses had been made by the Workers' Homes Board—but well known only to the ill-informed members of the Kalgoorlie Municipal Council.

Hon. J. Cunningham: Some of them.

The PREMIER: Yes. As a matter of fact, the operations of the Workers' Homes Board have shown a profit from the inception, and naturally that profit has been taken into Consolidated Revenue. In those circumstances, the goldfields people have gained an advantage arising out of the profits made by the board instead of being required to contribute towards making good the losses of that body. However, I have no doubt that the member for Kalgoorlie will hear something more about the matter.

Hon. J. Cunningham: I think the councillor referred to was in a serious mood when he made that statement.

The PREMIER: One can be serious, and still be foolish! Full interest and sinking fund payments have been made since the inception of the board's operations and profits amounting to £4,254 were taken into Consolidated Revenue last year. The small loans scheme inaugurated in 1933 under the

administration of the Workers' Homes Board to provide employment for artisans in the building trades, is being continued. As at the end of last year, the total approvals under the scheme amounted to £23,191 in respect of 187 applicants. Applicants on hand at the end of last year numbered 12, and the amount involved was approximately £1,350. The provision for public buildings has been increased from £97,064 to £120,000. The new school for girls at East Perth, estimated to cost £60,000, was commenced last year, but the greater proportion of the expenditure will be incurred this year. It is hoped that the building will be ready for occupation about July next. The programme of work to restore public buildings to a sound condition was continued last year, and a further amount will be made available during the current period. Money used in this direction is being temporarily advanced from Loan funds, but will be recouped from Revenue when railway belated repairs are cleared. A number of new school buildings were provided last year, and a limited amount will be applied to similar purposes this year. The amount provided for State hotels has reference to a loan to the Rottneest Board of Control for improvements at that resort, and interest and repayments will be met out of the board's revenue. The sum of £3,644 has been provided for the State ferries to supplement the South Perth service by the addition of a new boat.

Progress reported.

Sitting suspended from 6.15 to 7.30 p.m.

BILL—WILUNA WATER BOARD FURTHER LOAN GUARANTEE.

Second Reading.

THE MINISTER FOR WATER SUPPLIES (Hon. H. Millington—Mt. Hawthorn) [7.31] in moving the second reading said: As set out in the preamble, this is a Bill to enable the Treasurer to guarantee the repayment of a proposed loan of £7,500 to be raised by the Wiluna Water Board for the purpose of the extension of its water supply works for the town of Wiluna. By the Wiluna Water Board Loan Guarantee Act of 1933 the Treasurer was similarly authorised to guarantee a loan of £8,000, which was then necessary for the installation costs of the water works. Both

these loans will have been made under the authority of the Water Boards Act, 1904, and its amendments. There is, however, no provision in that Act for guarantee by the Government of the repayment of such loans. It is a condition of the Commonwealth Bank, which is providing the money for the Wiluna Water Board, that the loan on the terms contemplated shall be supported by a guarantee for repayment by the State Government. A special Act is necessary to give this guarantee; hence the necessity for the Bill. The money is required for certain proposals of the Wiluna Water Board to add to the reticulation, plant and equipment of the water supply. These have been investigated on the spot by an engineer of the department. As a result of that officer's report, the engineer in charge of the goldfields water supply considers that the proposed loan of £7,500 for additional works is financially sound, having regard to the requirements of the town in the near future and to the increased rating value of the reticulation area, existing and proposed. As members no doubt know, the general growth of the town of Wiluna in the last two years has been extraordinary. From a population of 4,000 it has increased to 6,000, while the consumers on the water board have increased from 2,000 to 3,500. And all indications point to further increases. It is believed in Wiluna that a population of close on 10,000 people will be reached, probably within the next two years. This is supported by the general increase in the solidarity of the town in the last two years. As an indication of the progress made, I may say that over 500 new townsite blocks have been surveyed during the current year. I have here information which sets out particulars of the present water supply at Wiluna, but it is not necessary, I think, to delay the House with them. The yearly rates, on the basis of those for 1934-35, can be assessed at £4,230. The present rating is only 2s. in the pound on the annual value of the property rated. The maximum provision under the Act is 3s. in the pound. It will be seen, therefore, that, if necessary, the rate could be increased, but certainly at the present time even that is not necessary. The Government feel justified, therefore, in seeking the permission of the House to guarantee the further loan for this absolutely essential service in the hot, dry, but nevertheless thriving, town of Wiluna.

It relies upon what must now be regarded as a substantially stabilised mining industry for at least several years to come, and certainly as long as the value of gold continues at its present high standard. In addition, we have the reports of our officials to the effect that it is perfectly safe for the Government to guarantee the loan. Without going into further particulars, I may say the Bill is self-explanatory, and is rendered necessary because the Water Boards Act does not provide for a Government guarantee, and so we have had to bring down the Bill, since that guarantee is the only condition under which the Commonwealth Bank will grant the loan. I move—

That the Bill be now read a second time.

On motion by Mr. Doney, debate adjourned.

BILL—PEARLING ACT AMENDMENT.

Second Reading.

THE MINISTER FOR THE NORTH-WEST (Hon. F. J. S. Wise—Gascoyne) [7.37] in moving the second reading said: This is a very short Bill designed to give the Minister power to fix the rates to be charged for licenses for engined boats, and also power to fix the rates for licenses for pearl buyers. The Third Schedule of the Pearling Acts of 1912 and 1924, as reprinted in the appendix in the 1924 volume, prescribes the fees payable for the respective licenses mentioned in the schedule. And it will be found that at a subsequent date, when the Act was amended in 1929, provision was made for a reduction in the fee chargeable for a hand-pump boat, but not for any other boat, nor did it in any way vary the schedule of the 1912 Act. As those fees were prescribed and imposed when the industry was in a much more opulent position than it is to-day, it has been considered, after a great deal of care in the presentation of the case to the Minister concerned, that the power should rest with the Minister to vary the fee chargeable for an engined boat and also to vary the amount chargeable for a pearl buyer's license. In connection with the pearl buyer's license, it will be found in the schedule that there are three types of licenses: 1, a general license applicable to Broome and costing £50; 2, a general license for Shark Bay only, costing £20; and, 3, a

general limited license for those outside those areas, costing £5. It has been found in practice that the imposition of the license fee of £50 for Broome has not been in the best interests of the industry, inasmuch as any buyer, though he may be in possession of a license to operate at Shark Bay and has paid £20 for that privilege, is not entitled to go to Broome and even look at pearls, let alone buy them, unless he pays an additional license fee of £50. After due consideration we have decided, rather than have the pearls leaving the State or being trafficked in by those not entitled to deal in them, to alter the Third Schedule and give power to the Minister to reduce the fees. The fee for an engine boat, which has a capacity almost twice that of a hand-pump boat, is £10, and the fee now being charged for a hand-pump boat is £4. While the industry is not as buoyant as it was, we desire that the Minister have power to reduce the license fees. As the Bill discloses, the only alteration proposed is to the Third Schedule. Not only should the amendments give a stimulus in the way of attracting more pearl buyers, thus benefiting the people engaged in the industry at Shark Bay, Onslow, Port Hedland and Broome, but a great deal more money will be registered and will be known to be in the industry than is the case at present. The application of a £50-license for a pearl buyer at Broome has been found to be not in the best interests of the industry. I move—

That the Bill be now read a second time.

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

BILL—FINANCIAL EMERGENCY TAX.

Second Reading.

Debate resumed from the 22nd October.

HON. C. G. LATHAM (York) [7.42]: I rather regret that the Government have seen fit to propose financial emergency taxation on the same basis as last year. After the general Estimates had been introduced, we learnt that the Federal Government proposed to increase the disabilities grant from £600,000 to £800,000, and we rather persuaded ourselves that we would probably get a reduction of this tax. I worked it out mentally and thought that if we reduced the tax by one penny all round—that

is, the 4d. rate to 3d., the 9d. rate to 8d., and the intermediate sums also by one penny—the difference would probably cover the £200,000 extra disabilities grant. However, the story that the Premier told us to-night in delivering his Loan Estimates would probably make us a little more guarded. He told us that there was doubt in his mind as to whether the Federal Government would be able to raise the amount of loan funds anticipated. I admit that at the present stage the Government must be provided with sufficient revenue to discharge their responsibilities over the current year. While industry appears to be improving, a fair amount of work must still be provided by the Government in order to keep the people employed. If loan funds are not to be found for that purpose, members on this side of the House realise that the Premier must have sufficient money to meet the requirements confronting him.

Mr. Moloney: In other words, you are in accord with what the Government are doing.

Hon. C. G. LATHAM: I do not propose—

Mr. Moloney: But you are in accord with the Government.

Mr. SPEAKER: Order!

Hon. C. G. LATHAM: I do not propose to enter into an argument with the hon. member.

Mr. Moloney: Do you believe that what they are doing is right?

Mr. SPEAKER: The hon. member for Subiaco will keep order.

Hon. C. G. LATHAM: We desire to be fair to the Government. While members on this side might have felt a desire to force from the Government a fulfilment of the partial promise made last year, to do so in the light of our present information might not be wise. I know the remark made last year was that serious consideration would be given this year to the question of reducing the tax. We regarded that as implying that a reduction would be made, but in view of the information that difficulty might be experienced in getting loan funds, I am doubtful whether it would be wise to press for a reduction. At the same time, the Government must bear in mind that even if loan funds are available, revenue funds should be drawn upon for maintenance works. There is no doubt that in the last two years a lot of maintenance works have been done out of loan funds, whereas such

works are a legitimate charge against revenue.

The Premier: Not only within the last two years, but for many years past, though perhaps to a greater extent in the last two years.

Hon. C. G. LATHAM: I admit that it has been difficult to obtain loan funds. We are not getting nearly as much as we received in former years, but an additional £200,000 is now being made available by way of the disabilities grant. I presume the Premier will be expected to balance his Budget this year. He estimated a deficit of £150,000, and allowing for the £200,000 extra disabilities grant to be received, he should end the year with a surplus of £50,000.

The Premier: My estimated deficit is £250,000, and I expect it to be reduced by the additional amount of disabilities grant.

Hon. C. G. LATHAM: I wish to point out the great danger of building up liabilities against loan funds for maintenance work. It is wrong in principle. We would not do it in our own private business and we should not do it in the business of the State. I agree with the Premier that to use loan funds for that purpose has been the practice over a number of years, but I believe that our financial policy generally is being overhauled. The statement of the Premier some time ago regarding deficiencies in Agricultural Bank collections, for instance, rather clearly demonstrated that a new order of allocation was being introduced. We should not charge against loan funds any deficiency of interest collected and then pay it into revenue.

The Premier: An amount of several hundred thousand pounds is needed on the Estimates for that purpose because I am not following the old practice this year.

Hon. C. G. LATHAM: Let me point out that the revenue of this State is gradually increasing. This year the estimated revenue is £9,406,000, and the additional amount of disabilities grant will bring it to £9,606,000.

The Minister for Justice: That is not right.

Hon. C. G. LATHAM: I am giving in round figures the grand total shown in the Estimates. We are getting back pretty well, from the point of view of revenue, to the 1928-29 figures. I admit that a good many charges are still being made against revenue, inasmuch as the exchange has to be met out of it to an extent that was not

necessary in 1928-29. As an offset against that, there has been a reduction in interest rates. I am speaking of the conversion in Australia from 6 per cent. to 4 per cent. If the expenditure is closely watched I believe there is more than sufficient money to cover all legitimate outlay for the year. There is only that one point which I made earlier in my remarks, namely the question whether we will be able to get all the loan funds that were promised when the first Loan Council meeting was held this year. What happened in June was not very encouraging.

The Premier: The total revenue of £9,000,000 odd has to be carefully examined. Whilst the total revenue may increase somewhat, having regard to business undertakings, etc., the expenditure increases accordingly, and no additional money comes to the Treasury.

Hon. C. G. LATHAM: I have not yet seen the Treasurer who had too much money. As money comes in, there are always demands made upon him by his colleagues in Cabinet, and by the public generally. The result is that he is never any better off at the end of the year, no matter how careful he may be.

The Premier: Members themselves are constantly asking for money for their electorates.

Hon. C. G. LATHAM: I know I have not had sufficient money for my electorate. The Treasurer cannot spend money without first taking it from the people in some form or other, or without borrowing on their security. I am afraid there is no garden from which it is possible to dig sovereigns. There does not seem to be any new ground to be covered on this occasion. We could go over the whole story, but nothing is to be gained by that. In 1931, when we and the other States were having the greatest difficulty in securing the necessary finance, Professor Copland, who was one of the experts engaged to go into the question of finance, said that this State and Victoria could, on their taxable assets, raise an additional £400,000 by taxation. I have calculated the figures, and find that since then we have raised about £800,000, and still we are not giving satisfaction. As the Eastern States increase their taxation, so are we expected to increase ours. The Grants Commission do not realise that Western Australia is dependent almost entirely upon primary production. When the price of our

products falls to the extent that they have fallen, there are no longer the same taxable incomes in this State, such as the other States have. Victoria and New South Wales have their secondary industries, and years of development behind them. They have built up assets and securities that are taxable. Any profits that might have been retained in this State in connection with our industries go to the Eastern States, where greater sources of taxation exist than are found here. Queensland has not suffered the setback this State has experienced. It is only in the last three or four years since gold has increased in value that the goldmining industry has been of assistance to us.

The Premier: As Queensland is not a wheat-producing State, the price of wheat has not affected it.

Hon. C. G. LATHAM: Queensland has done remarkably well out of its beef trade, and has also had the sugar industry, with its fixed prices. The dairying industry of that State has been assisted by home consumption prices. Generally speaking, the industries in that State have not suffered the same disabilities that we have suffered. The only States that might be compared with Western Australia are South Australia and Tasmania. The taxation in South Australia is very much too high. That, however, has nothing to do with me, but I would not like the same kind of taxation to be in existence here. Such a thing retards development and hinders progress. It is possible to tax people out of employment.

The Premier: It is the heaviest taxed State in the Commonwealth.

Hon. C. G. LATHAM: Yes. One has only to visit that State to know the bitterness that exists there amongst the people. In this State there is so much more to be done than in other States, so much more development work ahead of us. If the Grants Commission are going to insist upon more taxation, and we still have deficiencies, there will be no end to the problem. It is a great pity the Federal Government have not fixed a period over which to make these grants. There should be a set policy that can be worked to for four or five years. That would materially assist us. We do not know from year to year what we shall get. When the Treasurer introduces his Budget he does not know what the amount will be. This year he estimated the deficit at so much, but did not know he was to receive a further £200,000. It is the duty

of every member, as well as that of the Treasurer, to see that we are careful in our expenditure. The less money we borrow, the better will it be, and the quicker will our industries be rehabilitated. Luckily the deficiency in loan funds is being made up, to a certain extent, by the new capital that is being expended on the goldfields. That will be a great help to us. There is not only the expenditure of that money, but the assistance that is rendered afterwards, as a result of that expenditure. That will be of material help to the goldfields, and even the city will receive some benefit. The Minister for Mines told us that during the last 18 months new capital to the extent of a million and a half pounds had been invested in the industry. That means money in circulation, and that money will materially assist those people engaged in other industries associated with goldmining.

The Premier: We would be in a bad way were it not for the goldfields.

Hon. C. G. LATHAM: The recent rains have greatly brightened the outlook for the wheatgrowing industry. Last week the prospects of the harvest were far from encouraging; indeed, I would not have been surprised then if we had failed to reach a yield of 15,000,000 bushels. As a result of the recent rains we may possibly have a yield of 21,000,000 bushels. There are parts of the State which have not yet received any benefit from the rains.

Hon. W. D. JOHNSON: Some parts of the State to-day are better than they have been for many years; for instance, Lake Grace and Newdegate.

Hon. C. G. LATHAM: There is a small portion south of the Kondinin-Narrogin line.

Mr. SPEAKER: The hon. member is wandering away from the subject before the Chair.

Hon. C. G. LATHAM: This is a taxing measure. Undoubtedly some money will be required for the purpose of assisting those engaged in the industries to which I refer. But what is much more important, there will be reduction in incomes, and people engaged in some of the industries in question will not be able to pay any taxation whatever. I hate this additional taxation. When it was introduced the people were given an undertaking that it would be only temporary. I do not know how long it will continue, but I do hope that next year it will be reduced.

If the progress of the State continues, if there are better prices for wheat and wool, and if the mining industry maintains its present prosperity, there should be a possibility of reduction.

The Premier: I shall be glad to reduce this taxation at the earliest possible moment.

Hon. C. G. LATHAM: This year the tax will bring the Treasurer nearly double the amount that the income tax will bring. That is heavy taxation. I do not know that we can do anything to assist the Government; but I assure the Treasurer that if there had not been a doubt as to the amount of money likely to be available, I would have moved for a reduction throughout. In the circumstances I have no alternative but to let the Bill go through as it stands.

HON. N. KEENAN (Nedlands) [8.2]: I do not desire to make any lengthy observations on the Bill, and I certainly do not intend on this occasion to criticise the imposition or the rates of taxation under the measure. Still, it may be permissible to point out that if we take the three heads of income tax, financial emergency tax, and dividend duty—all of them much of a kind—the total amount expected, according to the Estimates, to be received from these sources is no less than £1,225,000.

The Premier: But it is not all paid by the same people.

Hon. N. KEENAN: Certainly not. I do not pay my neighbour's income tax. That is obvious. But they are the same taxation under different names. I do not rise now to criticise the Bill from that point of view, although I reserve the right to express on another occasion whatever view I am authorised to take in that respect. But there is a matter I would like to try to make clear. The Treasurer, in submitting the Bill, gave as a reason why the measure should be acceptable, a comparison between the average amounts paid in taxation in several Australian States. I endeavoured to follow his statement closely and to understand it, and therefore to appreciate what the figures meant. On making inquiry, I find the figures mean exactly what I thought they would mean; that is to say, the total amount collected in a State by taxation is divided by population, and that makes the average. That is a hopelessly wrong method of comparison, because obviously, in a State like this, where we have very few taxpayers on

the high income margin and the income tax is graduated, our average must be far lower than the corresponding average of a State that possesses many taxpayers on the high income margin; such States, for example, as Victoria, New South Wales, and even Queensland. So that a comparison does not properly lie unless that comparison is between the same classes of taxpayers. If I may illustrate what I want the House to understand, I will say that if we had a State in which there were a few thousand rich men enjoying incomes of £20,000 a year, and a State such as ours with none at all of that class, obviously those rich men would raise the average of their State considerably, while in our State we would have nothing to raise the average. On looking up the report of the Commonwealth Grants Commission I find the following on page 68:—

"Taxation is the most important consideration on the revenue side, but comparison has many difficulties. The crude amount of taxation per head tells us little, for it is the basic contention of the claimant States that their conditions are more depressed than those of other States, their incomes lower, and taxation therefore less fruitful.

Having first of all said that that was an utterly crude way of arriving at a comparison, the Commission proceed to endeavour to arrive at what they call the severity of taxation. In order to do that—having finally discarded any comparison between certain collections of taxation in different States on the basis of State collection—they turn to what they call another source, namely, the returns furnished by the Federal Commissioner of Taxation, giving the actual assessments of tax made in the various States. They do not observe that that is in itself open to grave error. One of our industries here is the production of beer by the Swan Brewery. That is a Melbourne company, and all its dividends were until a few months past paid in Melbourne. Consequently all its earnings appear to be paid in Melbourne and taxed in Victoria. Thus the profits of an entirely Western Australian industry, a considerable amount per annum, go to swell Victorian returns, and are not available to Western Australian returns.

The Premier: But nearly half the shareholders, or a big percentage, are Western Australians.

Hon. N. KEENAN: That is so, but until quite recently they received their dividends

in Melbourne. It is only lately that an office of the company has been opened here. Until then every dividend payable here was paid in Melbourne, and the shareholder here had to pay Victorian income tax on his dividend. Of course he got the dividend transferred here, but this State did not obtain any credit for the tax paid in Victoria.

The Premier: Many of the big business houses in Perth are similarly owned and controlled.

Hon. N. KEENAN: Quite so. All the money they earn is credited and accounted for in Melbourne. So of course a comparison made between the Commonwealth taxation which is obtained in the State of Victoria and the Commonwealth taxation which is obtained here in Western Australia, taking that as some basis of judging what is called severity of taxation, is most fallacious. According to this report, what the Commonwealth Royal Commissioners termed the crude method of taking the total amount realised by taxation and dividing that amount by the population is the main source of the calculations under which they arrived at the conclusion that Western Australia is not taxed to such an extent as it should be to meet its responsibilities.

The Premier: Nevertheless those are the figures, and the only figures, that are considered at Loan Council meetings.

Hon. N. KEENAN: That is regrettable, because it seems to me it can be demonstrably shown that these figures are incorrect. Furthermore, in this report, to which I very much regret to say I have not had an opportunity to give proper consideration until very recently, I find they continued their inquiry, having arrived at certain figures from the Federal returns of income tax. They then took into account what they called "local taxation," and arrived at a figure that was a combination of the Federal tax and the local tax. Then they accepted those joint figures as indicative of the relative taxation burden in one State as against the burden in another State. In a most intricate fashion, they allowed that the burden arose to some extent from what they chose to describe as the extravagant expenditure of loan funds. In paragraph 178 of their report they say that, having arrived at what they supposed to be the normal standard taxation figures, both South Australia and Western Aus-

tralia should impose a higher tax than the normal on account of the extent to which those States had indulged in loan expenditure above the average—I presume that means the average expenditure throughout Australia, although it is not so defined—and regard that as responsible for the present position. It would be impossible to imagine that a body of men could be found who would take the present loan expenditure in a State faced, as Western Australia has been faced for years past, with the necessity to charge the cost of new development against loan expenditure, and compare that with the loan expenditure in States that were fully developed years ago. Here, without any choice on our part, we have been obliged to spend large sums of loan money in order to make necessary provision for the development of our resources, whereas those other States, with which we are compared, were fully developed many years ago. Therefore their obligation to find money for that form of expenditure is of a most limited character. I hope the Premier will not regard it in any way as impertinent on my part if I suggest to him that he should not pay too much attention to these figures. I have not had a sufficient opportunity to analyse them carefully to discover to what extent they can be challenged on the ground of error. A superficial examination only will serve to indicate so many avenues of error involved in their calculation that we can well afford to regard them with a great deal of suspicion.

Hon. W. D. Johnson: The figures are official and are the ones that the Loan Council accept, so what is the use of challenging them?

Hon. N. KEENAN: That is an observation that leads one almost to despair. "Because they are official"! It reminds me of the story of a German professor who was somewhere in the wilds of America. He had a bottle with him that contained a mixture that was labelled to indicate it was absolutely innocuous. He swallowed some of the mixture, and was poisoned. Why should we accept a document because it bears the stamp of officialdom? I am not prepared to accept any such document unless, on examination, it should prove convincing. The more one examines this report and the figures it contains, the less they appear to be convincing.

Hon. W. D. Johnson: I heard a speech such as you are delivering 20 years ago, and it has been going on ever since. Previous speakers have all said the same thing.

Mr. SPEAKER: Order!

Hon. N. KEENAN: When the Premier attends the next Loan Council—in the meanwhile it may be possible for assistance to be availed of in dissecting these figures, which can be done, and which I could assist in doing—I would certainly like him to preserve on open mind as to the conclusions to be drawn from these most fallacious premises. The whole reading of this document leads to the one conclusion, namely, that this Royal Commission had, in fact, set out with a designed end to reach and, of course, they reached it. Therefore it is exceedingly necessary that we should question, where it is legitimate to do so, the grounds they put forward in justification of those ends. I do not wish to add, during the debate on the present Bill, any observations beyond those to which I have given expression. It is to be regretted it is considered necessary that this burden shall still be continued. It is a very grievous burden on the people that £1,250,000 is to be extracted from their pockets so that we may carry on. Nevertheless, it is the duty of the Premier, as Treasurer, to find the funds required to meet expenditure. He has not only the duty to do that, but it is his duty to justify that expenditure and the means by which he seeks to raise the money to meet that expenditure. As I do not question his proposals on either ground, I do not propose to add anything further.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—BRANDS ACT AMENDMENT.

Council's Amendments.

Schedule of 16 amendments made by the Council now considered.

In Committee.

Mr. Sleeman in the Chair; the Minister for Agriculture in charge of the Bill.

No. 1. Clause 8: Proposed new Section 27A:—In subsection (1) insert at the end of the subsection the following proviso:—

Provided that this section shall not apply—

- (a) to stud sheep registered in any recognised stud or flock book;
- (b) to any sheep under the age of six months.

The MINISTER FOR AGRICULTURE: Most of the amendments appearing on the Notice Paper were the result of consideration at a conference at which agreement was reached, and arrangements made for the inclusion of these amendments in another place. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 2. In subsection (2):—Strike out the word "recently" in line two of the subsection.

No. 3. Insert after the word "shorn" the words "within the period of one month preceding the date of possession."

No. 4. Strike out subsection (3).

No. 5. Clause 10:—In subclause (1) substitute "(gg)" for "(h)" as the lettering of the proposed new paragraph.

No. 6. Strike out subclause (2).

No. 7. Add the following subclause after subclause (2):—

(3.) Section forty-two of the principal Act is further amended by adding a proviso at the end of the section, as follows:—

Provided that it shall be a defence to any charge under paragraph (h) of this section if the defendant prove—

- (i) that the skins came into his possession in the course of his business as an agent; and
- (ii) that he took all reasonable precautions to prevent such skins coming into his possession; and
- (iii) that on becoming aware that he had the skins in his possession he promptly gave to the officers of police or an inspector all information in his power relating to the person from whom and the date and circumstances under which he became possessed thereof.

No. 8. Clause 11:—Substitute "43A" for "43B" as the number of the proposed new section.

No. 9. Clause 11:—In proposed new section 43B—Insert the words "subject as hereinafter provided" at the beginning of subsection (1).

On motions by the Minister for Agriculture, the foregoing amendments were agreed to.

No. 10. Strike out paragraph (b) of subsection (1) and substitute the following:—"a registered wool brand is distinctly and legibly marked in the prescribed manner on the sheet."

The MINISTER FOR AGRICULTURE: I move—

That the amendment be agreed to.

Mr. SEWARD: I should like the Minister to explain this amendment. It seems to remove an important safeguard from the Bill, which as it left this House provided that no sheep shall be removed unless the wool brand of the owner of the sheep is distinctly marked on the sheep. The amendment prescribes nothing more than a registered woolbrand. That is getting away from the safeguard in the Bill.

The MINISTER FOR AGRICULTURE: This amendment was arranged for on account of the possibility of a multiplicity of wool brands having to be applied to a sheep which might change hands many times during trading. Many valid objections were raised by those who deal in sheep, and also by the agents conducting sales of sheep, and it was proved that a sheep in some instances when the market is buoyant may change hands four or five times within a very short period. Also it was pointed out by a salesman that the correct registered brands of various owners soon became known to the auctioneer concerned. So it was decided that a registered wool brand would suffice.

Question put and passed; the Council's amendment agreed to.

No. 11. Add a proviso at the end of subsection (1):—Provided that this subsection shall not apply to any sheep under the age of six months.

No. 12. Clause 12:—Delete all the words after the word "amended" in the first line, and substitute the following:—

- (a) by striking out the words "and no sheep under the age of six months" in lines one and two;

(b) by adding a proviso at the end of the section as follows:—

Provided that no sheep under the age of six months shall be deemed unbranded by reason of the fact that no registered wool-brand has been placed thereon.

No. 13. Clause 13:—Add the following subclause:—

(2.) The Brands Act, 1904-1932, as amended by this Act, shall be reprinted by the Government Printer under the supervision of the Clerk of the Parliaments, and in such reprint the sections shall be renumbered in arithmetical order and the cross references adjusted.

No. 14. New Clause:—Insert a new clause after Clause 11, as follows:—

12. A new section is inserted in the principal Act as follows:—

43C. No owner of sheep shall sell or offer the same for sale unless a registered wool brand is distinctly and legibly marked in the prescribed manner on the sheep, provided that this section shall not apply in any case where the sheep are under the age of six months.

No. 15. New Clauses:—Insert new clauses after Clause 12, as follows:—

13. Section forty-nine A of the principal Act is hereby amended by inserting a further subsection at the end of the section as follows:—

(2) Any inspector or police officer may at any time stop and search any conveyance or boat which he suspects on reasonable grounds is carrying any stock or the skins of any slaughtered stock and inspect and seize and detain for the purpose of evidence all such stock or skins which may afford evidence in connection with any breach or suspected breach of this Act.

No. 16. 14. Section forty-nine B of the principal Act is amended by inserting after the word "process" in the fourth line of the section the words "or immediately before export."

On motions by the Minister for Agriculture the foregoing amendments were agreed to.

Resolutions reported, the report adopted and a message accordingly returned to the Council.

BILL—DROVING ACT AMENDMENT.

Council's Amendments.

Schedule of seven amendments made by the Legislative Council now considered.

In Committee.

Mr. Sleeman in the Chair; the Minister for Agriculture in charge of the Bill.

No. 1. Clause 3:—Insert after the word "amended" in the first line of the clause the following:—

(a) by inserting after the word "leasehold" in the definition of "Run" the words "or place," and by inserting after the word "kept" in the second line of the definition the word "held."

The MINISTER FOR AGRICULTURE: This amendment simply clarifies the definition of "a run." I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 2. Clause 4:—In paragraph (b) insert "a" before the word "duplicate" in the words proposed to be struck out.

The MINISTER FOR AGRICULTURE: I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 3. Clause 4:—Insert at the end of clause a new paragraph after proposed new paragraph (c), as follows:—

(d) Provided that, where an owner desires to travel stock from one place to another for the purpose of temporary grazing, the waybill may be in the prescribed form and may cover the outward and return movement of the stock.

The MINISTER FOR AGRICULTURE: This amendment has been inserted to deal with travelling stock to and from the coast. I have no objection to it and so I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 4. Clause 5, paragraph (d):—In proposed new subsection (4) insert the words "or agent" after the word "manager" in the second line.

No. 5. Clause 5:—At the end of proposed new subsection (4) add the words:—

Provided that, where an owner desires to travel stock from one place to another

for the purpose of temporary grazing, the delivery note may be in the prescribed form and may cover the outward and return movement of the stock.

No. 6. Clause 7:—(a) Insert at the beginning of subsection (1) of proposed new section fifteen A the words—"Subject as hereinafter provided."

On motions by the Minister for Agriculture, the foregoing amendments made by the Council were agreed to.

No. 7. Clause 7:—Add at the end of subsection (6) of proposed new section 15A the words "or to any sheep which are removed pursuant to any sale or contract of sale from any place in the metropolitan area for consignment by rail, or from any approved saleyard for consignment by rail. For the purpose of this section—

(i) the Governor shall define the metropolitan area by proclamation, and may by any subsequent proclamation vary or amend such definition;

(ii) the Minister may on payment of the prescribed fee approve of any specified saleyard as a saleyard for the purpose of this section, and may also cancel any such approval from time to time at his discretion."

The MINISTER FOR AGRICULTURE: This was inserted to overcome the difficulty that might arise where large numbers of sheep are being handled in metropolitan and other big saleyards. I move—

That the amendment be agreed to.

Question put and passed: the Council's amendment agreed to.

Resolutions reported and the report adopted and a message accordingly returned to the Council.

BILL—RURAL RELIEF FUND.

Council's Amendments.

Schedule of eight amendments made by the Council now considered.

In Committee.

Mr. Sleeman in the Chair; the Minister for Lands in charge of the Bill.

No. 1. Clause 4, subclause (1):—Add the words "All such appointments shall be subject to the approval of Parliament" after the word "farmer" at the end of the subclause.

The MINISTER FOR LANDS: This deals with appointments to the board, which the Bill prescribes shall be made by the Governor. Needless to say, the Government cannot accept the Council's amendment. The Council should not attempt to take out of the hands of the Executive the power to make these appointments. It has never previously been suggested that such a course should be taken. I move—

That the amendment be not agreed to.

Hon. C. G. LATHAM: There is nothing unusual in the amendment. Generally speaking, it is not done, but the appointment of the Commissioner of Railways has to be approved by both Houses. I regret the Minister has not seen fit to accept the amendment.

Question put and passed; the Council's amendment not agreed to.

No. 2. Subclause (2):—Add the words "All or any of the powers of the trustees may be exercised at any duly convened meeting, but whenever the trustees present thereat are equally divided upon any question or matter, the determination thereof shall be postponed to a meeting at which all the trustees are present."

No. 3. Clause 6: subclause (1):—In subparagraph (ii) delete the word "and" in line 17 and substitute the word "in."

No. 4. Add at the end of the subclause the words "as amended by this Act."

On motions by the Minister for Lands, the foregoing amendments were agreed to.

No. 5. Add a further subclause as follows:—

(8) Section twelve of the Farmers' Debts Adjustment Act, 1930-34, is amended by adding thereto a further subsection as follows, to stand as subsection (5):—

(5.) Notwithstanding anything contained in this section the farmer shall be at liberty, until a receiver is appointed, to continue to operate upon his account at any bank, whether such account is in credit or not, and a mortgagee holding at the date of the stay order a mortgage or other security over the real or personal estate of the farmer to secure advances and/or further advances shall be at liberty, until a receiver is appointed, to continue to make advances to the farmer, on current account or otherwise, on the se-

curity of such mortgage or security up to the maximum amount covered thereby to the same extent and in all respects as if no such stay order had been made.

The MINISTER FOR LANDS: I have no objection to the amendment, though I think it is unnecessary.

Hon. W. D. Johnson: Could it not be expressed in fewer words?

The MINISTER FOR LANDS: Amendment No. 8 introduced by the Minister in another place amounts to practically the same thing, and is expressed in fewer words. I move—

That the amendment be agreed to.

Hon. C. G. LATHAM: We are asked to make several amendments to the Farmers' Debts Adjustment Act in a rural relief fund measure. People who have occasion to consult the Farmers' Debts Adjustment Act would never think of looking in this measure for amendments of that statute. If the amendments are accepted, I hope the Minister will have the Farmers' Debts Adjustment Act re-printed. I believe this is the first occasion when amendments to a particular statute have been included in another Bill.

The Minister for Lands: It has been done in other instances.

Hon. C. G. LATHAM: The principle is bad.

Hon. W. D. Johnson: I do not think it is permissible under the Standing Orders.

Hon. C. G. LATHAM: I do not wish to raise that point. If the Minister will give an assurance that the Farmers' Debts Adjustment Act will be re-printed with these amendments included, I will be satisfied.

Question put and passed; the Council's amendment agreed to.

No. 6. Clause 10:—Add at end of sub-clause (1) the words "but this section shall not be deemed to confer any priority over any other encumbrances existing at the date of the stay order."

The MINISTER FOR LANDS: I have no objection to the amendment, because there cannot be any priority. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 7. Clause 14:—Add the following words at the end of the clause: "but no portion of the fund shall be used for the pay-

ment of expenses in connection with such administration."

The MINISTER FOR LANDS: I have no objection to the amendment. It was never intended to use any portion of the fund for administration expenses, though I must say I am becoming alarmed at the services that are being required of the Government without charge. I suggest Clause 9 would be the proper place for the amendment. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 8. New clause:—Insert a new clause after Clause 6, as follows:—

7. Subsection (1) of section twelve of the Farmers' Debts Adjustment Act, 1930-34, is amended—

(a) by striking out the words, at the beginning of the subsection, "The farmer shall not while subject to this Act" and substituting the words "After the appointment of a receiver and during the continuance of the receivership no farmer shall."

(b) by inserting after the word "effects" in the fifth line the words "subject to the receivership."

The MINISTER FOR LANDS: This means the same as Amendment No. 5. If no receiver is appointed, the farmer can do as he likes with his assets. The Farmers' Debts Adjustment Act already provides for that. Though superfluous, I move—

That the amendment be agreed to.

Hon. C. G. LATHAM: I asked the Minister for an undertaking to reprint the Farmers' Debts Adjustment Act with these amendments, but he did not reply. Unless he is prepared to give that undertaking, I shall oppose the principle. Members know of the amendments to the Farmers' Debts Adjustment Act being included in this measure, but the general public, who will be consulting that statute, will not know. This provision may mulet people in tremendous costs because they may not be aware of its existence. If anyone looked through the index to our statutes they would not imagine that the Rural Relief Act had anything to do with the Farmers' Debts Adjustment Act. The Minister gave me the impression that he had no authority to do that which I asked him to do. Surely the Crown Law

authorities could consolidate the Act and have it reprinted at the end of the statutes. I should like the Minister to give an undertaking that this will be done.

The MINISTER FOR LANDS: I would have no objection to that if I could arrange for it to be done. If I find I have the authority I will endeavour to do it. If these amendments had never been asked for the authority involved would still have been contained in the Act. No person who is not in the hands of a receiver is debarred from doing what he likes with his own assets.

Hon. C. G. Latham: One of these was a Government amendment.

The MINISTER FOR LANDS: That only states that a farmer is free to do that which he can already do. I have no objection to that.

Question put and passed; the Council's amendment agreed to.

Resolution reported, and the report adopted.

A Committee consisting of the Minister for Lands, Hon. C. G. Latham, and Hon. W. D. Johnson, drew up reasons for not agreeing to amendment No. 1 made by the Council.

Reasons adopted, and a message accordingly returned to the Council.

BILL—TRAFFIC ACT AMENDMENT.

Council's Amendments.

Schedule of nine amendments made by the Council now considered.

In Committee.

Mr. Sleeman in the Chair; the Acting Minister for Works in charge of the Bill.

No. 1. Clause 3:—Delete all the words after the word "out" in line 20 and substitute the following:—(i) Where the annual license fee is less than one pound the penalty shall not be less than the annual license fee. (ii) Where the annual license fee is greater than one pound the penalty shall be one pound or not less than one-half of the annual license fee, whichever is the greater. (iii) The maximum penalty shall be twenty pounds.

The ACTING MINISTER FOR WORKS: The amendment simplifies matters, and protects those who pay low license fees. I move—

That the amendment be agreed to.

Mr. WATTS: The penalty seems excessive—1½ times the annual license fee. If £10 is the amount of the annual license fee, the minimum penalty is £5. That represents a hardship on people who, probably through financial difficulty, have failed to license their vehicles. The minimum penalty might be reduced to one-quarter of the license fee.

Hon. P. D. FERGUSON: The offence is merely that of driving an unlicensed vehicle. The proposed minimum would be a heavy penalty for a first offence. The proportion should be one-fourth instead of one-half. The usual practice is to fix the maximum penalty, and to leave the minimum to the discretion of the court.

Mr. THORN: The provision is unfair. Under it a man with a truck bearing an annual license fee of £30 or £40 would be fined very heavily indeed.

The ACTING MINISTER FOR WORKS: This should be a punishable offence to discourage people from thinking that they may drive an unlicensed vehicle. The proposed penalty was agreed to here. There is a maximum penalty fixed—£20. The measure cannot be policed in this respect unless there is a serious minimum penalty.

Hon. P. D. FERGUSON: Is it any lesser offence for a man to use an unlicensed Baby Austin car, the license fee on which is £3 or £4 a year, than for a man to use an unlicensed Buick with a license fee of £10 or £12? The offence is just the same.

Members: No.

Hon. P. D. FERGUSON: The principle is exactly the same. The man driving an unlicensed Buick will be mulct in a fine of £5 or £6, and the driver of the unlicensed Baby Austin in a fine of £2, the offence being the same in either case. Evidently members are against me, but I cannot see the justice of their attitude. My contention is that it is just as much a crime to drive a small unlicensed vehicle as it is to drive a large unlicensed vehicle.

The ACTING MINISTER FOR WORKS: I would like to convince the hon. member. The owner of the small car who should pay a small license fee, runs around for three months and takes the chance of the small fine, whereas the man who should pay a license fee of £10 and runs his car unlicensed for three months robs the local authority of that larger amount.

Hon. P. D. Ferguson: He does not, because in the end he has to pay the license fee and the fine as well.

The ACTING MINISTER FOR WORKS: The trouble is that the man has first to be discovered. If the penalty is a trifling one, the man will take the risk. The desire is to make the penalty severe.

Mr. WATTS: I have had an extensive experience regarding traffic difficulties in country areas. I know that justices of the peace are inclined to regard such offences leniently and often impose small penalties. I am with the Minister in his desire to secure heavier penalties, but I think the provision for a fine representing at least half the license fee is excessive, particularly when we consider the inclusion of the additional words, "whichever is the greater." Very often the man who neglects to license his car has not the necessary money at the time. In order to test the feeling of the Committee, I move an amendment—

That in line 3 of paragraph (ii) of the Council's amendment "one-half" be struck out and the word "one-quarter" inserted in lieu.

The ACTING MINISTER FOR WORKS: For the reasons I have already indicated, I oppose the amendment. The desire is to make the penalties heavier. There are not sufficient police nor, in the country areas, enough traffic inspectors to deal with the problem, and if a heavier penalty is provided, that in itself should act as a deterrent.

Amendment on the Council's amendment put and negatived.

Question put and passed; the Council's amendment agreed to.

No. 2. Clause 4:—Delete paragraph (b).

The ACTING MINISTER FOR WORKS: Much time was devoted to Clause 4 when the Bill was before this Chamber. Paragraph (b) proposed to strike out the words "for hire or reward" in Subsection 2 of Section 6 of the principal Act which sets out that a carrier's license is required for every vehicle regularly used for the carriage of goods for hire or reward and "a passenger vehicle license is also required for such vehicle if it is used for the carriage of passengers for hire or reward except with the permission of the local authority on some special occasion to be stated." We require the person who desires to carry passengers to take out the extra license, and yet many

owners of commercial vehicles are illegally carrying passengers to the detriment of those who incur the added expense for the second license. Only to-day an instance was brought before the notice of the Traffic Department in which a carrier licensed to carry goods between the siding and the mine at Yellowdine offered to take passengers on his truck as well as the luggage and other goods. It is not known whether any fee or reward was received, but there is at that place a licensed taxi driver who was thus deprived of his legitimate trade.

Mr. Rodoreda: That is going on all over the country.

The ACTING MINISTER FOR WORKS: And it is almost impossible to prove that an offence has been committed.

Mr. Seward: The truck driver probably charges about half the ordinary taxi rates.

The ACTING MINISTER FOR WORKS: And can afford to do so. I move—

That the amendment be not agreed to.

Mr. SAMPSON: I hope the Committee will support the Minister. If control is to be assured, paragraph (b) must be retained. There is much subterfuge and trickery going on by which passengers are carried allegedly without fee or reward, whereas actually a collection is made.

Question put and passed; the Council's amendment not agreed to.

No. 3. Delete paragraph (c):

The ACTING MINISTER FOR WORKS: This paragraph protected the man with a commercial vehicle, permitting him to take any member of his family with him. If the Council's amendment be agreed to, all our good work will have gone for naught. I move—

That the amendment be not agreed to.

Question put and passed; the Council's amendment not agreed to.

No. 4. Clause 14:—Add a further paragraph to stand as paragraph (c), as follows:—

(c) by adding a further subsection as follows:—

(3.) In addition to the obligations set out in subsection (1) it shall be the duty of any person, who in the course of using a vehicle on a road has caused injury to another person, to render such person all such assistance as may be necessary or practicable under the cir-

circumstances, including the obtaining of medical aid, and any person who refuses or neglects to render such assistance and obtain such aid shall be guilty of an offence against this Act.

Penalty: Fifty pounds; and, if in the opinion of the court the offender has shown a callous disregard for the injured person, the court shall in addition impose a sentence of imprisonment for a term not exceeding twelve months.

The ACTING MINISTER FOR WORKS: This is an addition. Members have read it on the Notice Paper, so I need not go into it. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 5. Clause 15:—Insert the words "or traffic inspector" after the word "station" in line 18.

The ACTING MINISTER FOR WORKS: I propose to agree to this amendment by the Council, but only after further amending it. The Bill provides that a report shall be made to the officer in charge at the police station, and the Council want to insert after "police station" the words "or traffic inspector." Those words "traffic inspector" are too vague, and so I move an amendment on the Council's amendment—

That there be added to the words proposed to be inserted by the Council the words "of the district of the nearest local authority."

That will mean, in effect, that the report can be made to the police station or to the traffic inspector of the district of the nearest local authority.

Mr. SEWARD: I think those words "traffic inspector" should come in before the words "officer in charge of the police station."

The ACTING MINISTER FOR WORKS: No, I think the words are in their right place, but it is certainly necessary that we should limit the phrase "traffic inspector" by adding the words "of the district of the nearest local authority."

Amendment on the Council's amendment put and passed.

The ACTING MINISTER FOR WORKS: Now I want to make a further amendment before I can agree to the Council's amendment. I move—

That after "police officer" in the proviso there be added the words "or such traffic inspector."

Amendment put and passed; the Council's amendment, as amended, agreed to.

No. 6. Clause 20:—Delete the words "the diameter of the wheel and" in lines 40 and 41.

The ACTING MINISTER FOR WORKS: This is merely consequential on an amendment to come later, and which I propose to accept. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 7. Clause 22:—Insert a paragraph after paragraph (b), as follows:—

(c) by striking out the words "and published in the 'Gazette'" in the fifth and sixth lines of subsection (4).

The ACTING MINISTER FOR WORKS: This also is consequential. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 8. Clause 26:—Delete all the words after the word "tyres" in the second line of the Second Part of the proposed new Fourth Schedule, and substitute the following:—

Vehicle.	Width of Tyre.	Weight per inch, in hundred- weights.	Load.
wheels.	For Tyres of 1½ inches	4	0 12 0
2	" " 1½ "	4½	1 5 2
4	" " 1½ "	4½	0 15 8
2	" " 1½ "	4½	1 13 1
4	" " 2 "	5	1 0 0
2	" " 2 "	5½	2 2 0
4	" " 2½ "	5½	1 7 2
2	" " 2½ "	5½	2 17 2
4	" " 3 "	6	1 16 0
2	" " 3½ "	6½	3 15 0
4	" " 3½ "	6½	2 5 2
2	" " 4 "	7	4 14 2
4	" " 4½ "	7½	2 18 0
2	" " 4½ "	7½	5 18 0
4	" " 5 "	8	3 7 2
2	" " 5½ "	8½	6 19 2
4	" " 5½ "	8½	4 0 0
2	" " 6 "	9	8 5 0
4	" " 6½ "	9½	4 13 2
2	" " 7 "	10	9 12 2

The width of bearing surface as defined by Section 4 of the Act is for the tyres as originally made, and does not permit of any extra weight by increased width owing to any spread of tyre occasioned by wear or otherwise.

The ACTING MINISTER FOR WORKS: We do not think this is worth arguing about. After having discussed it with the officers of the department I have come to the conclusion that, even if this amendment be agreed to, the local authorities will not enforce it.

Hon. C. G. Latham: It is the simple method they like.

The ACTING MINISTER FOR WORKS: Nevertheless we have to protect the roads. I move—

That the amendment be agreed to.

Question put and passed: the Council's amendment agreed to.

No. 9. New clause:—Insert the following clause after Clause 23:—

24. The following new section is hereby added after section fifty-four of the principal Act:—

54A. No person shall, upon any public street or public reserve, mind, care for, or take charge of a motor vehicle other than a motor vehicle of which he is the driver, or offer his services for any such purpose: Provided that this section shall not apply to any public reserve set apart for parking under the control of any road board or municipality.

Penalty: Five pounds.

The ACTING MINISTER FOR WORKS: This, of course, is dealing with car-watchers. I thought it was on the cards that this matter would be dealt with, and I had an amendment prepared, leaving the question with the local authorities. However, this amendment was moved in another place, and was carried. The amendment, I consider, is not worth arguing about. I am afraid that the car-watchers have not many friends. Rather than have the matter cause dissension between the two Chambers, I move—

That the amendment be agreed to.

Hon. N. KEENAN: While most motorists are in agreement that car-watchers as a whole are undoubtedly a great nuisance, and that their activities amount almost to blackmail, there are men who earn a livelihood by car-watching and who by no stretch of imagination can be placed in that class. They are men who honestly look after motorists' property during their absence and do it well. It is regrettable that we should have to stamp those men out of existence. I suppose it is inevitable that we should pass some restriction of the kind because there has been a grave abuse by certain men of the unchallenged right they have hitherto enjoyed of forcing themselves upon the attention and purses of motorists. I know one car-watcher who is a perfectly honest and honourable man and does his job well.

The Premier: I know another, so that makes two.

Hon. N. KEENAN: If the amendment becomes law, that man will be deprived of a living. There are some car-watchers who deserve consideration, and it is unfortunate that we cannot extend consideration to them because the great mass are objectionable.

Mr. NEEDHAM: I oppose the Council's amendment. One would think that car-watchers were not fit to be residents of the State. I am glad that the member for Nedlands has spoken on their behalf. Members in another place have criticised car-watchers in such a manner that one would think they were vagrants or criminals. I do not know why a reflection should be cast on those men. They have been described as a nuisance and a menace, but if they are, there is a law that can be enforced against them. No car-owner need employ a watcher unless he chooses to do so. He is under no duress. If a car-watcher becomes insolent the car-owner has a remedy in the police court. A majority of the car-watchers are reputable citizens, who are obeying the law of the land and meeting their obligations by paying their taxes. If one or two are not, why penalise all? Possibly a little regulation is necessary, but that is the work of local authorities. To brand them all as undesirable citizens is wrong. They are defenceless; they cannot refute the statements that have been made against them. There is no need for the amendment. Talk about using a 50-ton hammer to crack a nut! We are using all the machinery of Parliament to crush a handful of men who have been earning an honest livelihood during the years of economic stress.

Mr. MOLONEY: The member for Nedlands has brought home to us the absurdity of the amendment. I sent to the Minister for Works the names of 120 reputable people who spoke on behalf of one particular car watcher, who had looked after their cars for a matter of 17 years. When an owner leaves his car in the street, he is entitled to have it protected from molestation. The police are under no obligation to do that. Many car watchers are one-armed and are dependent upon this work for a livelihood. Others are incapacitated for any other kind of work, and yet members in cold blood wish to deprive them of their livelihood. I have yet to learn that

these car watchers have done anything that is contrary to the public interest.

Mr. RODOREDA: I am not one to reflect upon the probity or honesty of car watchers, but I do look upon them as quite unnecessary. I have never paid one of these men for looking after my car, but it is not nice for people to be made to feel they are criminals if they drive away without giving them something. Numbers of these car watchers act as if they were traffic inspectors, and frequently order about the car owners. It is the duty of the police to look after cars. We might as well allow a body of men to constitute themselves house-watchers and to demand payment for their services as such.

Mr. CROSS: I support the amendment, having observed that car-watchers' activities in the city are not in the interests of car-owners. I observed a car-watcher ordering a man who had pulled in with a car to take it away.

Mr. Moloney: Who was that car-watcher?

Mr. CROSS: I do not know.

Mr. Moloney: Then you are merely making ex-parte statements.

Mr. CROSS: The actions of some car-watchers approach blackmail. These men are not responsible to anybody, and the great majority of car-owners do not approve of the system.

Mr. HEGNEY: I support the amendment because, according to my experience, car-watchers are unnecessary. On very few occasions indeed have I paid a car-watcher. Once I left my car and refused to pay the shilling for having it minded. On my return I was minus some spanners, a fact which I attribute to my refusal to pay the shilling. Many a car has been taken from a parking area supposed to be watched. The car-watchers are superimposed on the police, to the detriment of car-owners. If they are to continue, let them be registered and controlled by the police. The presence of a car-watcher is no guarantee of the safety of one's car.

Question put and passed; the Council's amendment agreed to.

Resolutions reported, and the report adopted.

A committee consisting of the Leader of the Opposition, Mr. Rodoreda and the Acting Minister for Works were appointed

to draw up reasons for disagreeing to certain of the Council's amendments.

Reasons adopted, and a message accordingly returned to the Council.

House adjourned at 9.51 p.m.

Legislative Council,

Tuesday, 29th October, 1935.

	Page
Assent to Bill	1327
Questions: Agricultural Bank, 1, Chaff supplied to farmers; 2, Resignation of G. M. Cornell	1327-8
Revenue receipts	1328
Lotteries Commission	1328
National Income	1328
Constitution Acts Amendment Act, 1890, Amendment Bill Select Committee, extension of time	1329
Bills: Brands Act Amendment, Assembly's message	1329
Droving Act Amendment, Assembly's message	1329
Rural Relief Fund, Assembly's message	1329
Traffic Act Amendment, Assembly's message	1329
Financial Emergency Tax, 1R.	1329
Mortgagees' Rights Restriction Act Continuance, 3R.	1329
Tenants, Purchasers and Mortgagees' Relief Act Amendment, 3R. passed	1329
Electoral, 2R.	1329
Health Act Amendment, 2R., Com. report	1333
Financial Emergency Act Amendment, 2R.	1336

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

ASSENT TO BILL.

Message from the Lieut.-Governor received and read notifying assent to the Plant Diseases Act Amendment Bill.

QUESTIONS (2)—AGRICULTURAL BANK.

Chaff Supplied to Farmers.

Hon. J. CORNELL (for Hon. H. J. Yeland) asked the Chief Secretary: 1, What was the total cost of chaff supplied by the Agricultural Bank to farmers in the wheat belt during the immediate past season? 2, (a) How much of this was imported from the Eastern States, and from where; (b) how much was procured direct from the farmers of Western Australia; (c) how