

ject to disabilities. Their cases are all being attended to. Accusations have been hurled at the Government on the score of the Transport Board. In my view it is a pity that board was not created many years ago, and I hope that in 12 months' time the people will be perfectly satisfied with the work of that board. Another matter, a rather ticklish question never introduced in Western Australia before, has been mentioned to me by a man from Queensland, who informs me that in that State the local authorities give to expectant mothers the wives of men on sustenance, a little extra cash to help them over their time of trial. In my view, the same principle should be introduced here, because children born of indigent parents, cannot get sufficient nourishment, and so develop into absolute weeds.

The Minister for Employment: We are providing extra sustenance work for the husbands of expectant mothers.

Mr. CLOTHIER: I congratulate the Government upon the work they have done in my electorate during the past 12 months. The member for Subiaco remarked upon a drain which he said was in Maylands.

Mr. Hegney: That is in Middle Swan.

Mr. CLOTHIER: Yes, but the hon. member said it was in Maylands. Work on that project has ceased two or three times, but the Government are now carrying on the drain, although the section which is in Middle Swan will not return much revenue because there are very few houses to be served. However, the next section will be in a thickly populated part of Maylands.

Mr. Hegney interjected.

Mr. CLOTHIER: The interjection of the member for Middle Swan reminds me that I wish to refer to the new bridge at Garratt-road. This matter was mentioned when Mr. R. T. Robinson was a member of the House, and I believe that it was also mentioned by Mr. Scaddan. The peninsula where the aerodrome is located suffers from lack of transport facilities. People coming from the aerodrome have to walk one and a half miles or two miles to the tram and two and a half miles to the train. In the event of the bridge being constructed, a bus service could be carried through Belmont and across the bridge to carry all that traffic. I intend to appeal to the Perth Road Board and the Bayswater Road Board to undertake reclamation of some of the land in the vicinity and enable that traffic to be catered for. There

is a thickly populated area containing some 300 or 400 houses, and the traffic those residents would provide, together with the traffic to the aerodrome, would, I believe, make the service a payable proposition. I am pleased that the Government have appointed inspectors to ensure that the awards of the Arbitration Court are observed, and to carry out other official duties. It is gratifying to find that the people of Perth are perfectly satisfied with the State's prospects. I have in mind particularly the increased activity in the building trade. People must have considerable faith in our city and State or they would not have committed themselves to such large expenditure on buildings.

On motion by Mr. Brockman, debate adjourned.

House adjourned at 8.32 p.m.

Legislative Council.

Wednesday, 15th August, 1934.

	PAGE
Question: Hospital Fund (Contributions) Act	106
Address-in-Reply, fifth day	107
Adjournment, special	119

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

QUESTION—HOSPITAL FUND (CONTRIBUTIONS) ACT.

Hon. H. SEDDON asked the Chief Secretary: What was the total amount received under "The Hospital Fund (Contributions) Act, 1930," for the years ended 30th June, 1933 and 1934, respectively?

The CHIEF SECRETARY replied: The total amount for the Hospital Fund (Contributions) Act was: Year ended 30th June, 1933, £146,042 10s. 4d.; year ended 30th June, 1934, £154,228 5s. 11d.

ADDRESS-IN-REPLY.

Fifth Day.

Debate resumed from the previous day.

HON. R. G. MOORE (North-East) [4.35]: I should like to refer to the Royal Commission appointed to inquire into the financial position and general administration of the Agricultural Bank. We know that a very adverse report has been made upon the institution. It is not my intention to criticise either the financial position of the bank, or its administration by the officials. There are many things to consider in connection with the activities and administration of the establishment, and before passing judgment I think we should have before us the views of the officials themselves. We should know precisely what were the reasons for the establishment of the bank, and what indirect benefits have accrued from its operations. We should be informed as to the amount of wealth which has been won as the result of its activities, and should know what assets there are in the State, not held by the bank, but the creation of which can be directly attributed to its assistance. We should also be told the result of the operations of the bank. I wonder whether the position would have been different if the members of the Royal Commission had been the trustees of the bank, and if there would have been much difference in the report had the trustees of the bank been the members of the Royal Commission. Of course they would have had to work under the same set of circumstances, to have been faced with the same difficulties, and have been subject to the same political interference. We all know that the functions of the Agricultural Bank are different from those of other banks; otherwise there would have been no need to bring it into existence. The position of the institution to-day is attributable to the great drop in the price of the products of the land. Who could have foreseen that? Suppose a different set of circumstances had arisen over which neither the trustees, the bank nor the man on the land had any control, and the products of the land had risen in the same ratio as that in which they have fallen, what a different tale there would have been to tell. From 1919 to 1925 the average wheat price for export was 6s. 2d. a bushel, whilst for the three years 1930 to 1933 the average export price had dropped to approximately 2s. 10d. It is easy to be wise after the event. If

punters put their money on always after the race was over, no one would back a loser. We should suspend judgment until we get the viewpoint from every angle. Perhaps when we know the other side of the story we shall be a little clearer in our own views, and in a position to judge less harshly than we might otherwise do. We may well learn a lesson from the report of the Royal Commission, namely, not to be too anxious to rush into the nationalisation of the banking system and allow it to be subjected to political interference and control. I now want to look at the position of the farmers. The man on the land has been responsible for a good deal of his own trouble. Undoubtedly a fair share of the blame is due to him for adopting the short-sighted policy of introducing so many mechanical forms of transport, stationary power, etc., to the exclusion of the horse.

Hon. L. Craig: It is very easy to be wise after the event.

Hon. R. G. MOORE: I have often wondered why farmers were so precipitate about supplanting horse power with mechanical power.

Hon. H. J. Yelland: How would you get on with horses on a farm on which there was no assured rainfall?

Hon. R. G. MOORE: A farmer cannot grow wheat if there is no water, in which case he had better get off his block. I know of people who are using horses on places that are too dry for the growing of wheat, but they are engaged in growing wool. People use horses in order to make dams. It is easier to secure a water supply for horses than it is to procure water for the growing of wheat. The difficulty the hon. member refers to can be overcome by a practical man who knows how to look after his own interests. The effect of the use of machinery would not be so far-reaching if we could produce our own fuel for the machines we import, but not only do we send money out of the country for the purchase of machinery, but we keep on sending out more for the purchase of fuel. This policy has lessened to an alarming extent the demand for hay and oats, etc., for home consumption, and this has in itself helped to create a glut in the very products the farmer is growing. Not only can the farmer produce feed for his horses, but he can produce the horses as well, and with a team of brood mares can produce young horses for sale, and so build up an increasingly valuable

asset instead, as is the case with machinery, of creating a diminishing one.

Hon. A. Thomson: That was the policy the Agricultural Bank discouraged amongst the farmers, the use of motor power.

Hon. R. G. MOORE: If we could get the viewpoint of the officials on these matters we would probably judge them less harshly. We should not be sending out money to another country to build up industries there. It is impossible to breed young motors, young tractors or young oil engines. The only thing that can be bred with them is a good-sized mortgage, which unfortunately does not die even with old age. We may have moved faster with mechanical power, but so fast have we moved that we have failed to notice that we are travelling down hill. The horse can play a very important part in getting the farmer out of the bog and once again on the up-grade.

Hon. H. J. Yelland: Do you suggest that the city man should convert his motor power into horses?

Hon. R. G. MOORE: Yes. The horse should resume his proper place. We should utilise those things that the country is naturally fitted to produce, and in that way build up our home industries.

Hon. J. Cornell: Even a horse-drawn hearse has gone out of date.

Hon. R. G. MOORE: People are in such a hurry nowadays they have not even time in which to be buried decently. The same thing applies to a great extent to our railways. If we used them to their full extent, we should be increasing the demand for local coal, one of our natural resources, and thus provide more work for the workers and keep the money in the country. I know we cannot get very far on a one-way traffic, but there are plenty of commodities to import and we can establish a reciprocal trade with other countries without crucifying our own natural products. We have our own special advantages in climatic conditions, large areas of good land, extensive forests and enormous deposits of coal, while other countries have their several advantages in other directions. Let us make the best use of the things close at hand, and develop our own industries with our natural resources. The money thus kept in the country would be reflected in added prosperity in every direction. Reference has also been made to the gold mining industry, which we are thankful to say is to-day in

a very happy position. Because of this, it has been suggested that the Government should impose a royalty on gold. There are many things to consider regarding the gold mining industry that do not apply to other industries. In the first place, gold cannot be cultivated. All the scientific knowledge and practical experience in the world cannot produce an ounce of gold, unless the gold is already there. Although the royalty would be imposed on gold won, it would be very difficult to apply the royalty and do so at all equitably. Where some of the bigger mines may be showing big profits, many shows are able to exist only owing to the high price of gold. Hundreds of thousands of pounds have been spent in looking for gold that has never been found. On the other hand, the possibility of finding the precious metal while the price is so high is a great incentive both to the prospector and the speculator. The big mines have taken advantage of the high price of gold and have erected the most up-to-date and expensive machinery and plant available, and that will enable them to treat profitably a lower grade of ore than was possible previously. There are hundreds of thousands of tons of low-grade ore than can now be treated profitably, and thus keep hundreds of men in employment under existing conditions. That is most encouraging, because for many years past low-grade ore was buried in the mines and that ore can now be worked again at a profit. Of course, some of the ore was so buried that it will never be recovered. However, the industry has had its difficult days and has taken its toll of both life and money. I think both the industry and the men engaged in it are entitled to all the consideration and encouragement possible. I am glad that the unemployment problems are not now so acute, but much yet remains to be accomplished. The increased price of wheat will make a great difference. I hope the increase has come to stay and that the pendulum will swing gradually and surely back towards prosperity and success.

HON. V. HAMERSLEY (East) [4.48]: I was much struck by the splendid attendance of the public on the occasion of the opening of this session of Parliament by His Excellency the Lieut.-Governor. To my mind it was a tribute by the public to Parliament as an institution. As we travel

through the country, we frequently hear people finding fault with the parliamentary institution, and little interest seems to be displayed in the doings of Parliament. Recently I faced an election and it was rather depressing to me at times to note the sparse attendance at meetings. It gave me the impression that the influence of Parliament was on the wane.

Hon. J. Nicholson: The small attendance showed that the electors reposed confidence in you.

Hon. V. HAMERSLEY: We may flatter ourselves that that was the reason, but, nevertheless, it tended to depress me. People would say, "Well, old chap, you are all right. We have a previous arrangement for a game of cards, so that we cannot get along to your meeting, but we will be with you all right on election day."

Hon. J. Nicholson: That indicated their confidence.

Hon. V. HAMERSLEY: It may be pleasant to the candidate from that standpoint, but, nevertheless, continued small attendances tend to depress. It might indicate that the community were rather tired of it all and thought that there were too many Parliaments in the Commonwealth. Because of this phase, I was indeed glad to note the large attendance of people, who were eager to be present at the opening of Parliament this year.

Hon. J. Cornell: Your experience must have been just the opposite to that of Mr. Seddon.

Hon. V. HAMERSLEY: I am pleased to know that. While I was impressed by the interest shown in the proceedings in this Chamber, I was not so impressed by the contents of the Speech itself. In fact, I was rather disappointed, and I shall refer to one or two matters particularly. We had previously learned that the finances had disclosed another deficit on the year's operations, and that fact was further indicated in the Speech. During the previous session, the Government passed legislation imposing heavier taxation, and they secured more revenue from that source than had been anticipated. Despite that added revenue, and also the additional loan funds that were available, the State finances have proceeded still further to leeward. If a private business man carried on his operations in the same way, he would quickly appreciate the fact that he was heading straight for bankruptcy. I cannot regard State finances in a manner

different from that in which I view private business concerns. It is to the borrowing policy that has operated that the relief to unemployment can be attributed. The Government take great credit to themselves in the Lieut.-Governor's Speech for the wonderful achievement of taking so many men off sustenance and placing them in various forms of employment. I would prefer that that employment was made available by private enterprise instead of by the Government. Private enterprise is not being encouraged by the Government to expend money by providing additional employment for men who are out of work. If we are to continue borrowing money in order to take men off sustenance and place them on relief work, we should see to it that a definite return is received for the expenditure. I have some doubt as to whether much of the work will be sufficiently reproductive to improve the position of the State. Rather am I afraid that the effect of the policy will be to place the State finances in a more serious condition. It would be of greater advantage if private enterprise were to undertake that part of the work rather than the Government. The wonderful price of gold that obtains to-day has certainly been an inducement to expand employment, but the Government had nothing to do with that. However, the return from the gold output greatly relieved the position of the State. It is sad to realise that we have not been able to impress the Commonwealth Government regarding the necessities of the State, and we have not secured our fair share of the funds available to assist the smaller States during the present financial year. The Commonwealth Government seem to look upon Western Australia's claims as unfair and bluff. They seem to think we have been crying too much about our difficulties, and I regret to note that the Federal Grants Commission recommended a very small sum to Western Australia, whereas South Australia and Tasmania received much larger amounts although their difficulties were not so great as those of this State. The redemption of recent loans has gone to show the good opinion the financial world has of Western Australia even though this State's share has not been nearly as great as that of the Eastern States. This is to a great extent due to the fact that most of the Western Australian loans were raised at a lower rate of interest. We have not the same proportion of high-rate money as has

been raised by the other States, and consequently the relief obtained by the other States from the redemption has been greater than ours.

Hon. J. Cornell: The last loan was raised at 3½ per cent., and it is a long time since Western Australia was able to raise a loan at that rate.

Hon. V. HAMERSLEY: There has been of late a vast improvement in the interest rate, and I am hoping that private individuals will be able to get cheaper money. It is most important for the development of our areas, or indeed for the carrying on of business of any description that money should be cheap. It is not good policy to borrow extravagantly with the idea of creating employment while the rate of interest is high. With regard to the railways, I notice that the system is worse off than it has ever been. It is remarkable that there should be a big increase in the number of men employed in that service. I fail to understand the reason for that increase. We are told that during the last 12 months over a thousand additional men have been employed.

Hon. W. J. Mann: Are they not carrying out repairs?

Hon. V. HAMERSLEY: I understand that they are practically permanent men. In the previous 12 months the increase of the number of employees was 500, so that within the last two years we get an increase of 1,500. It looks as if the increased number of employees is going to be responsible for a still bigger deficit in the Railway Department.

Hon. J. J. Holmes: If you look up the figures of previous years you will find that there was a big decrease in the number of employees.

Hon. V. HAMERSLEY: But the number has started to rise again.

Hon. J. Cornell: Men have to be put on to carry out repairs, otherwise the railways will have to close up.

Hon. V. HAMERSLEY: I suppose on the same reckoning we shall find this year the increase will be well over another thousand.

Hon. W. J. Mann: At that rate then we shall have no more unemployed.

Hon. V. HAMERSLEY: I want to see something to justify the employment of such a big number of additional men. The passing out of motor transport will not benefit the railways to the extent of their being

compelled to employ such a number of extra hands; the effect will be to deal a severe blow to many people who have embarked their capital in avenues which depended for their existence to a large extent on motor transport. When we passed the Transport Act, we had an idea that it would deal with the co-ordination of the two forms of service, and we considered it was a move in the right direction. But if motor transport which is worked with most expensive vehicles and fittings, and the most expensive petrol in the world, can carry on successfully against the railways, then I say good luck to it. In years gone by I pointed out to the Railways that they were inviting competition because of the arrogant manner in which the railway authorities were carrying out their duties, and that if they got serious competition they would find it difficult to combat it, and even more difficult to win back the trade they would lose. All that has actually occurred. We passed the Transport Co-ordination Act to practically ensure that those in the trade would all be registered, and it was a warning to everyone else engaged in the sale of motor vehicles not to continue too rashly. It was never dreamed, however, that drastic action, such as has been enforced, would be taken against those people who have given adequate services to many in the community. In a number of districts owners of trucks were notified that they would not again be registered. I ask whether the Transport Board has followed the direction of the Act which says that they shall inquire into all the interests concerned. It seems to me that the board has failed to do this. There are many instances of businesses having been embarked upon entirely as the result of motor transport, and those businesses are now likely to be smashed up. I am not so much concerned about the man who has a motor vehicle as I am about that section of the community who have put their capital into the undertakings to which I have referred, and which were largely dependent for their success upon conveyance of goods by motor vehicle. I may quote one instance. Interested people have told me that through the railways they were never able to get more than second or third-grade returns for cream from the factories, whereas when the motor vehicles came along, it was always first-grade. In my opinion it should have been the duty of the Transport Board to go into the various districts to make in-

quiries from those people who were directly benefitting from the services being rendered by motor vehicles, services which the railways attempted to give, and in the attempt failed. Some co-ordination was expected, but certainly not the drastic steps that have been taken. Another matter about which I feel concerned, from the aspect of the loss on railway operations, is the department's attitude towards bulk handling of wheat. The department have been really a menace and an obstacle to its introduction. Again, there is the attitude of the Government, who fail to realise the importance of the question to wheatgrowers. The wheatgrowers have been a wonderful asset to the Railway Department and a wonderful help to the ports; yet every obstacle is being put in the way of those who for years have advocated bulk handling in order to help the wheat industry. Personally, I am one of those who, since the inception of the railway system, have advocated the adoption of a bulk handling system. In the days when Captain Laurie was a representative of the West Province and held a seat on the Fremantle Harbour Trust, that gentleman and others associated with him opposed the introduction of bulk handling; and naturally so, because they represented the interests of the port of Fremantle and felt, as Fremantle representatives feel today, that bulk handling might mean a reduction in the labour employed in connection with the Fremantle harbour. But a great industry such as wheat growing must not stand aside or go out of existence. With the low prices which have been ruling for wheat, it is a question whether growers, in the absence of reduced costs, can continue in the industry. At a time when all our wheatgrowers were wondering whether it was worth while to continue, I had occasion to go amongst them, and I pointed out that the time was ripe for the adoption of a system of bulk handling, which indeed represented their only hope. I said it was no use complaining that the price was too low, as we were subject to the world's market price. I stated, however, that it was possible to reduce our working costs. Every year during the many years I have been growing wheat, whenever I have drawn a cheque for wheat sacks I have remarked, "There is so much money"—whether the amount was £200 or £300 or £500—"absolutely burnt so far as Western Australia

is concerned." Many farmers have burnt similar amounts of money, and it has gone on too long. If the cost of bags could be eliminated, success would be possible for many of our wheatgrowers. That one item of cost means to many farmers the difference between failure and comparative affluence. It is well to remember that the difficulty has been intensified by the folly of the Federal Government in adopting a system of special bags to hold Australian wheat. A decision was arrived at that the old four-bushel bag used by the world was too large to be handled by the wharf lumper, who demanded a three-bushel bag.

Hon. C. F. Baxter: There was something in that.

Hon. V. HAMERSLEY: There was too much in it. The Federal Government decided that Australia should have a three-bushel bag, a bag for Australian conditions only. The three-bushel bag was something Australia tried to foist on the rest of the world, which knew only the four-bushel bag. Then manufacturers of the wheat sacks said: "If Australia wants a special web and a special capacity of bag, she will have to pay for it." Since that burden was placed on the Australian farmer, he has been compelled to pay a higher price for his bags than any other farmer has had to pay. In fact, he has had to pay more for the three-bushel bag than he paid formerly for the four-bushel bag. That is a peculiarly foolish and useless extra expense, rendering the adoption of bulk handling all the more necessary. However, right from the inception objections have been raised to bulk handling. We thought we would get the system in 1910, but we have gone on ever since burning money spent on bags. The Railway Department and the Government have now succeeded in once more stemming the tide, blocking the adoption of a system by which each of our wheat farmers could save a considerable amount annually. Since the delivery of the Lieut.-Governor's Speech, the Government of the day have definitely announced their intention to appoint a Royal Commission to inquire into bulk handling. It is no wonder that our railways show losses, that our farmers are losing heart and doubting whether it is worth while to carry on. There is no hope in the outlook. What is to be the next move? There have been inquiries

enough, in all conscience. Every other wheatgrowing country has gone in for bulk handling. Only Australia is playing the fool in the matter. To me it seems remarkable that Governments can go on fooling the people to such an extent, that the Railway Department, the wharf authorities, and those who profit from the sale of bags are able to manipulate and humbug the people on the land. It only goes to show the dangerous position in which those who embark money in the development of the land place themselves. They get very little sympathy indeed from the authorities. The benefits of bulk handling have been established beyond all doubt. Even at this late hour I appeal to the Government to give the matter fair consideration, as it is of the utmost importance to the industry of the man on the land, that industry which is so vital to the welfare of the railway system and to that of thousands of people indirectly associated with the wheatgrowing industry. It is not too late for the Government to alter their mind. Many farmers have been holding off the purchase of bags in the hope that more sites for bulk handling would be granted. I myself have had to give an order for bags which I thought I would not have to give. Other growers are in the same boat. Every time we buy bags, it is so much more money wasted, so much more money lost to Western Australia, money which is urgently needed for the employment of additional labour in the timber industry and other of our industries. As things are, I repeat, money is simply being wasted. There is another aspect of transport that I desire to mention. Many people who patronise motor transport have found that they get good service from it. I do not wish to take up too much time, but I must remind hon. members that the Railway Department have not stood up to their job from the aspect of the difficulties of consignees, who sometimes meet with instances of pillage or breakage. The difficulty of obtaining redress from the department for such damage has caused many people to regard the position as hopeless. They say, "If it is a case of using the railways, we will not order things." Private enterprise grants redress much more readily. It is claimed on behalf of the Railway Department that the motors which cut into the transport business accept only goods bearing the higher rates of freight, whereas the railway lines were constructed with the idea of handling heavy freights. However, I now

see motor trucks carrying very heavy logs of timber. If the Railway Department do not look out, a great deal of freight in the form of heavy logs carried by motor trucks will be lost to the railways. It is astonishing to see the enormous logs of timber being taken over some of our roads.

Hon. R. G. Moore: It should be stopped.

Hon. V. HAMERSLEY: Why? We have built the roads as well as the railways. I am a ratepayer paying rates to a local road board. We are all contributing large sums to the road boards and municipalities, and we find that a large proportion of the rates collected goes to the making of main arteries which are not necessarily taken over by the Main Roads Board. Many local authorities expend large sums on the building of roads because there is a general demand for good roads over which to carry heavy loads. If the community are providing those roads, surely the community have a right to get the benefit from them. We are not only taxed to provide the railways, but are taxed also to provide the roads, and therefore we should go carefully before putting embargoes on the motor truck. Personally I would like to see the motor trucks employing a cheaper form of fuel, say gas producer fuel, rather than consuming imported motor spirit. It is an extraordinary thing that they are able to compete at all with the railways, in view of the very high price they have to pay for the fuel they use, especially when we consider the low price paid for it by other countries with which we have to compete. Nevertheless we see the motor trucks carrying heavy loads of timber, and the railways missing that traffic. Then we see motor trucks carrying enormous loads of gravel. I was for years a member of a road board. In those days we did our best to trade with the railways. We wanted them to bring gravel to certain points on the railway where we required the gravel for the building of roads. But it was impossible to get the railways to quote a reasonable rate, and I suppose it is the same to-day: they cannot rise to the occasion and look for business. The consequence is that the road boards to-day are getting the motor trucks to cart gravel over existing roads for the making of other roads. If the railways had any commonsense they would have been carrying all that gravel for the road boards, but they have declined the job.

Hon. J. M. Macfarlane: They will do it at a price.

Hon. V. HAMERSLEY: Yes, but they cannot meet competition. Instead of that, they come to Parliament and ask for legislation to wipe out that competition. But we require to open up the country, and if one system will not do it we must have another. Mr. Macfarlane is averse to any new railways.

Hon. G. W. Miles: And you ought to be, also.

Hon. J. M. Macfarlane: I am not averse to new railways that can be made to pay.

Hon. V. HAMERSLEY: But you belong to a large centre, whereas others of us come from outback. The Transport Co-ordination Act is already working against road traffic, and the licenses of motor truck owners are being knocked out. Consequently some of the owners are moving in to Midland Junction, so that their licenses will not be required.

Hon. J. M. Macfarlane: We might as well fly in the face of the sun as hope to knock out motor transport.

Hon. V. HAMERSLEY: But we want the services to pull together. I agree with the dictum that a monopoly is always a tyranny. If we allow the railways to have a monopoly, they will certainly become a tyranny. I take off my hat in appreciation of the great help motor transport has been in this country and is likely to be in the future, and I hope the Transport Board will not be too drastic, but will realise what Parliament intended and co-ordinate the transport systems to the benefit of the community. Another matter of utmost importance to the State is the report of the Royal Commission on the Agricultural Bank. Although the report has not yet been placed on the Table, and members have not it before them, we have seen extracts in the Press, who were fortunate enough to get the report before Parliament received it. There is no doubt the report contains some severe strictures, and I feel that we, as members of Parliament, must not allow the trustees of the bank to bear the whole brunt of the findings of the Commission. I recall the time when we had to inaugurate the Agricultural Bank in order to give encouragement to the opening up of the country and the development of our land. In those days I could not borrow £500 from a financial institution, because they did not look upon land development as worthy of their consideration: I could not borrow £500 on 7,000 acres of freehold land with a clear title. That will convey an impression of

the narrow outlook the private institutions then had when considering land development.

Hon. G. W. Miles: How long ago was that?

Hon. V. HAMERSLEY: I need not go into details.

Hon. G. W. Miles: But it is important that we should know it.

Hon. V. HAMERSLEY: It was so important that the Government of the day deemed it necessary that they themselves should advance money for land development. They saw that the immigration policy they had tried to initiate was no good, for people would not come out here to develop our lands, because of the difficulties. Of course, there was some justification for the narrow view taken by the private financial institutions. They said they could not lend money on what were really Government lands, that when the Government handed out a grazing lease they still held the land in their grip for 20 years. The private institutions contended that if the leaseholder failed to pay his rent, or if he walked off the land, the institution that had lent him money on the land would have no title in it. So it was decided that the Government themselves would lend money for land development up to a limit of £500, but not for the erection of buildings on the land. As time went on, the limit of £500 was raised to £750. Still, many settlers said the new limit was not sufficiently high. An outcry was made about it, and with an election pending the Government were being assailed because they refused to lend more than £750. Then the Labour Government came into power, and, seeing how things stood, they said they would open wide the doors of the Agricultural Bank and there would be no limit to advances.

Hon. G. W. Miles: When was that?

Hon. V. HAMERSLEY: I think it was in 1912. The Scaddan Government came into office and set about carrying out their promises to the electors. When the necessary Bill came before this House, we did our best to impose a limit, first of £1,000 and then of £1,200, but the Assembly would not agree. Then we tried to make the limit £1,500, and eventually we succeeded in having it fixed at £2,000. The Government of the day were unfair to the then manager of the Bank, Mr. Paterson.

Hon. G. W. Miles: That was when the deficit was £414,000.

Hon. V. HAMERSLEY: And it soon grew to a million.

Hon. G. W. Miles: The Premier of the day said the deficit was in the pockets of the people.

Hon. V. HAMERSLEY: Yes, and he was termed "Gone a million, Jack." The Royal Commission state that the Bank has lost £12,000,000 on advances. I say the Bank has not lost that amount or anything like it, considering the results achieved through the help of the Bank. Settlers from the early days had endeavoured to develop much of the country but had failed owing to timber, scrub, poison and water difficulties. Assisted by the Bank to clear it and provide water, those settlers showed that, when it was brought under the plough it was able to carry more cattle and sheep than are to be found in Mr. Miles' territory in the North. The land has been made productive, a point that we must remember alongside the statement that a sum of £12,000,000 has been lost by the Bank. Many people, too, have benefited by the distribution of the money and we have a wonderful asset to show for the expenditure. The Agricultural Bank has played a most important part in fostering the development of the country. I charge with the responsibility, not the parliamentarians, but the electors, who gave the Government of the day a direct instruction to lend money more freely on the land. So long as a reasonable limit was imposed, the electors were quite right in that decision. With a limit of £1,000 or £1,200 and wise guidance, any settler who had expended that sum should have had his property well developed. Many of the lending banks changed their attitude and showed a willingness to take over good propositions, and the Government allowed private enterprise to do so, instead of lending additional public funds up to the limit of £2,000. The report of the Royal Commission was unfair, unreasonable and vindictive. I believe there is something underlying the report of the Commission that has not yet come to light.

Hon. J. Cornell: They are about as popular as the Commonwealth Grants Commission.

Hon. V. HAMERSLEY: Yes. I have not seen the full report, but I have read the extracts published in the Press, and my conclusion was that the commission had cast too much blame upon Mr. McLarty and his co-trustees. No doubt they were forced to handle propositions that their

own wisdom dictated should not be undertaken. At the time, however, the price of wheat was 4s. or 5s. a bushel, and they showed some leniency where they might have been more strict, but they were considerably influenced by the attitude of the community as a whole. The electors were responsible as much as were members of Parliament, because the electors returned the members. When Country Party candidates criticised some of the methods of group settlement, they lost their seats, because other candidates were ready to promise the electors almost the moon. The electors gave definite instructions that money was to be lent on easier terms in order that the country might be developed. I have every sympathy for the trustees of the Bank who, in my opinion, have been meted out very harsh criticism by the Commission. I feel that the country has received wonderfully good service from the trustees, who have practically given their lives to the arduous work of furthering the interests of their clients. Although there would have been many failures under any system, many of the settlers have made a great success of their work, and have a good word for those who control the affairs of the Bank. I wish to pay tribute to the work of Mr. McLarty and his co-trustees. Theirs has been a very thankless task, and I was sorry indeed that they should have been so strongly condemned by the Commission. I wish to direct the attention of the Government to a matter of the greatest importance. In to-day's issue of the "West Australian" appears an item under the heading "The Royal Show; Teachers' Non-co-operation; Effect on Children's Exhibits." It begins—

Pursuing its policy of non-co-operation in regard to activities which "do not come within the immediate terms of the employment" of State school teachers, the executive of the Teachers' Union has instructed members of the union not to sign any entry forms for shows, not to judge or arrange any school exhibits for shows, and not to enter any exhibits in the name of their schools.

Hon. G. W. Miles: Disgraceful!

Hon. E. H. Angelo: They will be very sorry for it later on.

Hon. V. HAMERSLEY: I think that is one of the most appalling things that has come under my notice in all the years I have lived in Western Australia.

Hon. G. W. Miles: Unionism run mad.

Hon. V. HAMERSLEY: Years ago, in my own little district of Toodyay, I got into touch with the school teachers and talked to them of my school days. Many people realised what was wanted there. We had lessons galore and I worked on them for years, never understanding their application. I found that amongst the teachers were two sections: one who favoured teaching the ordinary lessons, and the others who favoured giving instruction in agricultural subjects. The children undertook the growing of wheat, vegetables and grasses, and kept poultry and bees. The teachers gave them lessons in carpentry and blacksmithing, and the parents became keenly interested in the work of the school. It attracted so much notice that people living outside the district inquired for accommodation for their children because they wanted them to have the benefits of the instruction given at that school. Unfortunately, the Minister for Education also became interested in it, and that school received no further moneys for buildings, etc. The school has been very successful, having turned out some smart scholars and good teachers. It has taken valuable prizes at various shows, some of the exhibitions staged at the Royal Show having attracted the attention of visitors from the Eastern States and from other parts of the world. The parents were satisfied that the work was proceeding on sound lines, but now the whole of it has been thrown into the melting pot. If the Government allow that to occur I shall be disappointed. I hope the Government will take drastic action against the school teachers. No time is to be lost. This decision on the part of the Teachers' Union followed a resolution that caused keen disappointment some months ago when it was announced that the teachers had declined to train the children for a demonstration during the Prince's visit. To have assembled the schoolchildren to see the Prince would have been a remarkable lesson in loyalty to the children, but the teachers have let them down. They have been most disloyal to the children.

Hon. J. Cornell: I do not think the children need any lesson in loyalty.

Hon. V. HAMERSLEY: No, but the teachers are setting a bad example.

Hon. L. Craig: It is not the teachers; it is the union.

Hon. V. HAMERSLEY: The matter is most serious. I deplore the fact that children's exhibits will not be staged at the Royal Show. The children in the country schools will suffer seriously. Parents will also feel it, and it will represent a direct loss to future generations. We cannot do too much to help the schools in the country districts, because there is being sown the seed of the future work of the children in their lives to come. I support the motion before the House.

HON. L. CRAIG (South-West) [6.0]: I am told that this is the time to be parochial and talk about the requirements of one's own district. The Speech is something which members usually comment upon, but whether the one we heard the other day is good or bad, I cannot say; I have not had a long enough Parliamentary experience to know that, but to me it was intensely dull. I understand it is usual for those who favour the Government to say what a splendid speech it was and how bright is the outlook, and for those in opposition to say what a "ghastly future lies before us." What appeals to me is the disregard for the deficit which has been incurred every year for the last two or three years, and it still steadily mounting up. We are going behind to the extent of £700,000 or £800,000 a year. Members of Parliament, the Government, as well as the man in the street, do not seem to care two hoots about the position. It seems that the taxability of the people is unlimited. It is the moral attitude of these deficits that worries me. It is so easy to get loan funds nowadays, with Governments raising money through the Loan Council or by means of grants. They get so much money, but they spend it anyhow. There appears to me to be no determined effort to live within our income. Dairying is the main industry of my province. It has been passing through very troublous times. The reference to it in the Speech is as follows:—

The average price for butter fat for the past 12 months was 9.9d. For a time prices fell to 8d. In spite of this, the production of butter increased by 534,598 lbs. Prospects for the 1934 season are bright. Weather conditions are excellent, and already the splendid pastures have induced increased production over the corresponding period of last year. The fixation of an Australian price of 140s. per cwt. for butter will enable at least 1s. per lb. to be paid locally for butter fat. This is considered profitable.

I have endeavoured to reduce the dairying industry, as it really is, to a cash basis. That is the only way in which we can arrive at a determination as to whether the industry is profitable or not. The average production of a cow in Western Australia is 342 gallons of milk per annum. That is considered higher than it has ever been, the figure having been a long way below that last year. That is the increased price we hope to get, and it is referred to in the Speech as profitable. On the basis of 1s. a lb. for butter fat, milk is worth 5d. gallon. The average production of 342 gallons per cow includes the production from the best cows in the State, and is better than it has been for a long time. This figure gives a gross return of £6 17s. per cow. The average lactation period, to take the average inferior cow, is nine months. I have, therefore, taken that period of nine months, although, with the better class of cow, the period runs into 11 months. It is admitted that it takes at least a quarter of an hour to handle one cow per milking, that is to get the cow in from the paddocks, milk her, wash up, and separate the cream. If a farmer is paying wages, as I am, dairying is not profitable. If the employer said to his man, "Times are bad. You can milk the 10 or 20 cows I have, do everything in connection with them, get them in from the paddocks, milk them, wash the separator, etc., do all the work and keep all the returns from the milk, whilst I will pay for all the fencing, the manure, the fuel and everything associated with the industry," the employee would receive the magnificent sum of 1s. per hour for his labour. That is the position in which the dairying industry finds itself to-day, and yet the Speech says it is profitable. Farmers say, "Thank goodness we have got on to a basis where we can at least live." The industry is considered profitable. It is only profitable for those who have large families and employ no labour. Although the dairy farmers are more or less satisfied now, theirs is only a poor bread and butter existence. They cannot possibly pay wages even at the enhanced price. The Speech states that the price of butter in Australia has been fixed at 140s. per cwt., and indicates that at that price the industry should be all right. The Minister for Agriculture went to the Eastern States, and was there assured by every other Minister for Agriculture that Eastern States butter would not be sent here unless we got behind in our own

production, that is unless we failed to produce sufficient butter to keep pace with the State's requirements. To make sure of this the Director of Agriculture telegraphed to the Prime Minister, who in turn assured the Minister for Agriculture that Eastern States butter would be sent here only to make up shortages. We are meeting the State's requirements to-day, but what do we find? Butter is coming to Western Australia for which the consumer pays 1s. 6d. per lb., the wholesale price being 1s. 3d., and the local producers have to send their butter to England where they receive 7d. per lb. for it. The scheme for the stabilisation of the price of butter was intended to enable producers to get a living wage, and yet because of the meanness or the greed of one or two merchants, producers in Western Australia are compelled to export their butter to England at 7d. a lb., whilst the same commodity is imported from the other States and sold at 1s. 3d. per lb. wholesale. I hope the Government will see that the guarantee of the Prime Minister is carried into effect. The Labour Party or Trades Hall have been issuing articles in condemnation of the banks, saying, "How dare they charge this enormous rate of interest of 5 per cent?" In the province I represent, settlers on repurchased estates are paying the Government six per cent. interest. They have been paying no lower rate than that ever since the depression started. I hope that the Government will see that the rate is brought down to at least a normal figure. The clients of the Agricultural Bank and the soldier settlers have had their rates reduced, but the ordinary settler on re-purchased estates is still paying six per cent. on the total purchase price of his land. In some cases the land is valued at £20 per acre, and interest and sinking fund come to about 35s. per acre per annum. It is impossible for any industry to stand up to that. I hope every effort will be made as soon as possible to bring down the rate, because while some men are paying it, the majority have ceased to do so. Some of the settlers are suffering severe privations so that they shall not go very much behind in their interest and sinking fund payment. During the last couple of years about half-a-million pounds has been spent in irrigation schemes. There was some opposition in the beginning because the depression was at its height. Farmers naturally said, "We are going to be landed with water at a cost of at least 10s. per acre, and cannot see our way

to paying it." Eventually most of the opposition was over-ridden, and the farmers accepted the scheme. I refer to the Wellington dam, which cost £154,000. The work has now been completed, the water is there, and the channels and drains have been cut. I am sure it will prove a highly beneficial undertaking. The departmental officials, however, cannot cope with the work that is entailed. Before a man can water his land he has to prepare it. Levels have to be taken, and in cases where there is a bump and a hole, the bump has to be shifted into the hole so that the water may run. This is ordinary farm work, but it requires technical knowledge and assistance to enable the settlers to learn where to put in their drains and where the fall of the ground comes in. That is absolutely necessary knowledge. An enormous rush will take place when the summer comes, and there will be a great demand for technical advice. Any engineer could give the farmer his levels and instruct the farmer what to do to get the water service. I could see this coming, and was able during the present winter to get my land graded and put into order. There are only two or three officers attached to the Irrigation Department, and these men have to cope with the area from Pinjarra almost to Bunbury. The task is an impossible one. The demand upon their time is already greater than they can meet. They are excellent officials, and know their work. I appeal to the Government, before it is too late, to appoint an additional three or four officers, so that the large amount of capital involved may start earning interest almost immediately.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. L. CRAIG: At the tea adjournment I was dealing with the irrigation scheme inaugurated in the South-West. I had told the House that the capital expenditure on the scheme was in the vicinity of £500,000 and had emphasised how necessary it was for more technical officers to be appointed to advise the farmers how to make use of the water so that they would be enabled to obtain more revenue by the use of the water, as the Government also should receive some return for the money expended. The rate payable under the scheme has been fixed at 10s. per acre, which covers one watering, and that is equal to about 4 inches of rain. This year the farmers will be liable to pay rates on at least 30 acres, which means

that each farmer has to face a liability of at least £15. Then there is the charge of 2s. 6d. per acre per watering. It is usual to water a paddock three times, although it may perhaps be watered four times. I understand the rate is to be a little less this year on account of the bad times and it may be fixed at about 7s. 6d. per acre. The point I want to make is that it is quite obvious all farmers will not be in a position to water 30 acres. To do that the 30 acres would have to be ready. On the other hand, a farmer may have only five acres or nine acres ready for watering. Before he can get water for those five acres, the farmer will be compelled to pay 10s. per acre on 30 acres, or an amount of £15. It seems to me wrong that the rate and the cost of water should be grouped together. Why should a farmer pay for 30 acres of watering when he is able to water five acres only? Surely it is reasonable to ask the Government to fix the rate separately. I do not suggest what the amount should be, but as the water rate is 2s. 6d. per acre, I think a flat rate of 5s. would be sufficient to cover any watering. That would be reasonable. Surely it is not right to levy the charge that has been fixed if the farmer cannot use the water. I ask the Government to give consideration to fixing a flat dry rate. The members of the Government are reasonable men and I believe that if they go into the matter they will fix a rate that will enable the farmers to pay only for the water they actually use. It is necessary that the Irrigation Act be amended to enable that to be done. At present there is an Irrigation Commission functioning and the membership is confined entirely to technical officers. Whether that is right or wrong, I cannot say, but I think that the farmers who have to use the water should have some representation on such a body. The chairman of the Commission is Mr. C. A. Munt, who is an excellent officer.

Hon. E. H. H. Hall: What, another job?

Hon. L. CRAIG: Mr. Munt is the Under Secretary for Works and chairman of the Transport Board in addition to being chairman of the Irrigation Commission. It is possible to kill the willing horse and that is what will happen to Mr. Munt. I understand it is almost impossible to talk about irrigation matters with him because Mr. Munt is so tied up with the affairs of the Transport Board at the present time. The same thing happened to Mr. E. A. McLarty who was, and is, an excellent officer.

He was quite overburdened with the work allotted to him. He had the Agricultural Bank under his control and then someone suggested that he should take over group settlement affairs. "We have lost £10,000,000 on group settlement," was the suggestion, "so you had better take charge of it," and Mr. McLarty was placed in control.

Hon. J. Cornell: He was handed over the Soldier Settlement Scheme before that.

Hon. L. CRAIG: But that was a small job. The State had lost £7,000,000 or £8,000,000 only on that. I ask the Government to see that Mr. Munt is not overburdened with work as Mr. McLarty was. The work of the Irrigation Commission will be extensive and should claim the attention of a chairman for that alone. Particularly at the outset will the task be heavy, for there will be a lot of heartburning through the wrongful use of water and so on. I desire to stress the importance of providing improved accommodation for the officers of the Department of Agriculture. The agricultural industry is the most important we have in Western Australia. The future of the State is almost entirely dependent upon it, despite what our gold mining friends from Hannan Street may say. We know that the gold mining industry has been most valuable to Western Australia, but undoubtedly the most important industry is that of agriculture. The officers of the Department of Agriculture are a very fine set of officials indeed, and all over the world they have been described as among the best of their class. Those officers are housed under conditions we would scarcely allot to our fowls. If any member visits the department and sees for himself under what conditions the officers are required to work, he will be astounded.

Hon. E. H. H. Hall: That matter has been ventilated here before.

Hon. L. CRAIG: I am glad to hear that.

Hon. E. H. H. Hall: I thought I would let you know.

Hon. L. CRAIG: The building is like a veritable rabbit warren. I heard to-day that the Premier had inspected the structure. He said he was amazed that the officers should have been allowed to work for so long under such dreadful conditions. The State is losing the services of highly trained technical officers every day. They are offered jobs elsewhere, frequently at much higher salaries, and many of them are inclined to go, not because of the added

money they will receive, but because they will be able to work under decent conditions. I hope that the Chief Secretary will stress to Cabinet how necessary it is that some money should be allocated so that the technical officers—God knows they are wanted badly enough in this State—can be provided with better accommodation. Diseases are making their appearance manifest in various directions. Mammitis has appeared among our cattle herds, and that is a disease that could easily ruin the industry. The fruit fly, so I understand on the very best of authority, could easily have the same effect on the whole of the fruit industry. It was not thought that the fly could exist in such climate as that of Perth, but it has been proved to survive the ice and cold of the winter in France. Evidence of the presence of fruit fly is manifested throughout the fruit-growing industry, and there is scarcely an orchard in the Bridgetown district that is not suffering from the outbreak. It is highly important that our technical officers should be provided with an adequate laboratory where they could work on these problems under decent conditions with a view to arriving at some method by which the pests can be dealt with. I hope legislation will be introduced to force growers, all of whom are not imbued with a full sense of responsibility, to keep their orchards clean. There is a great possibility of our fruit export industry being ruined completely through the ravages of the fruit fly. During the last 12 months the Government have spent a considerable sum of money on improvements to the Bunbury harbour. The harbour works at the port are capitalised at £440,000, and silting has taken place over a number of years. A depth of 27ft. 6in. is regarded as necessary for the accommodation of oversea boats, but the depth of the Bunbury harbour has been 25ft. only, because of the silting up of the sand. Thousands of pounds are spent every year on the dredging of the harbour, and it is amazing to think how the sand keeps silting up despite those operations. The Government have now embarked upon constructing a groyne to cope with the flow of sand. I congratulate the Government on that work because it has already had a material effect, and I hope that the job will be completed. More work will be necessary during the coming summer, and I

hope sufficient money will be provided to enable the work to be completed as soon as possible. Steamers are passing Bunbury because there is not sufficient depth to enable them to berth to load timber and other produce. The depth is almost down to 27ft. 6in. again, and the importance of completing those improvements should be urged on the Government. It will be a good investment because it will obviate the necessity of spending thousands of pounds annually on dredging operations. To show how the trade at the Bunbury harbour has advanced, it is merely necessary to mention that during last year it increased from 23,000 tons to 32,000 tons, or an expansion of 40 per cent. Before the harbour commenced to silt up there was a demand for the provision of cold storage facilities at Bunbury, and at one time the necessary money was on offer to provide those facilities so that fruit and other produce could be shipped from Bunbury direct instead of having to be railed to Perth for shipment through Fremantle. Everyone will admit that it is most desirable that such exports should be direct from Bunbury. It would mean a saving of 3d. or 4d. on every case of fruit, and a similar saving on every box of butter or similar produce. Mr. Hamersley, during the course of his speech, referred to the school teachers and the action they took recently. I also desire to say something about that matter. I attended a meeting of the council of the Royal Agricultural Society to-day and we were informed it was unlikely that the children's exhibit this year would be extensive if, indeed, there was any such exhibit at all. We were told that that was due entirely to the action of the school teachers in refusing to assist the children to display their work. It is greatly to be deplored that a body of men such as the school teachers should take an action of that description. What annoys me and makes me mad is the attempt of the school teachers to dictate matters of policy to the Government. They are claiming higher rates of pay, which, of course, is perfectly legitimate. In these days of catch-as-catch-can and the devil-take-the-hindmost, we all want what we can get, but the action that the teachers have taken is most extraordinary. What right has the School Teachers' Union to dictate the policy of the Government and say what moneys shall be allocated to the Education Department? Presumably all members have read the circular that has been distributed. In

that document the Teachers' Union declare that they are not complaining so much on their own behalf, but mostly because of the small amount of money allotted to the Education Department. What has that to do with them? What right have they to dictate to the Government what money shall be allocated to the Education Department? In many districts the best-off man is undoubtedly the schoolmaster, and good luck to him. But I do get very annoyed when a body of men who, compared with the farming community, are infinitely better off, attempt to dictate to the Government as to the sum of money that should be allocated to their department. I do hope the Government will put these people just where they belong—their right place. I support the motion.

On motion by Hon. E. H. H. Hall, debate adjourned.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [7.47]: I move—

That the House at its rising adjourn until Tuesday the 21st August.

Question put and passed.

House adjourned at 7.15 p.m.

Legislative Assembly,

Wednesday, 15th August, 1934.

	PAGE
Reading of newspapers in the Chamber ...	119
Question: Unemployed, cottage allotments ...	120
Leave of absence ...	120
Address-in-Reply, sixth day ...	120

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

READING OF NEWSPAPERS IN THE CHAMBER.

MR. SPEAKER [4.32]: I desire to make a few remarks as the result of which I trust I shall receive the assistance of hon. members in giving effect to an opinion I hold. I wish to draw the attention of hon. mem-