by the local committee, and it seemed to be unanswerable

The Minister for Employment: The Chairman had given his decision beforehand.

Mr. LATHAM: He had already preindged the case. An article had anpeared in the "Daily News," and Professor Giblin's article appeared after he was appointed. I do not know that we can do anything beyond protesting against the treatment meted out to Western Australia by the Commission. There is no doubt that commissions get us into trouble. I do not intend to deal with the report of a commission that must be causing the Government I know that it is considerable trouble. causing members on this side of the House much concern. I refer to the report of the Royal Commission on the Agricultural Bank. I was glad to receive from the Premier this afternoon an assurance that he will give members an opportunity to discuss the report. I am afraid the far-reaching effects of that report will be experienced for a long time. I can imagine that when the printed report is circulated amongst the heads of the Associated Banks in Sydneythose who have second mortgages on properties here and amongst the heads of mercantile institutions who have only agencies in this State and who have given considerable credit, it must cause them great concern. In addition, the report must have considerable effect in London. I hope the fullest opportunity will be afforded to discuss the report and recommendations of the Commission. It is a matter that we cannot consider without having the full text of the report before us. Probably quite a lot of important matter has been omitted from a newspaper report, owing to the exigencies of space, but I hope the Premier will facilitate a thorough discussion of the matter and see that no injustice is meted out. I also hope that the Premier will not give effect to any part of the report until Parliament has discussed it.

Mr. Lambert: A lot of the report was couched in very extravagant language.

The Premier: Anyhow, it will take some time to prepare legislation to deal with the matter.

Mr. LATHAM: Yes, if effect is to be given to it. I am not sure that action would not have been taken regarding the Auditor-General, unless a reasonably good reply is made by him to the charges levelled against

him by the Commission. That would appear to be your responsibility, Mr. Speaker, because the Auditor-General is an officer of Parliament and not of the Government. A very serious charge has been made against The Auditor-General is appointed to protect the finances of the State, and to report to members of this House. Probably, however, he will be able to reply to the charges. I have not dealt with the financial position of the State, because I consider that a more suitable time for discussing finance is when the Estimates are being considered. I have also left quite a lot of other matters for my friends on the back benches, and no doubt they will deal effectively with them.

On motion by Mr. North, debate adjourned.

House adjourned at 7.52 p.m.



### Acgislative Council,

Wednesday, 8th August, 1934.

		PAGE
Questions: Lotterles Commission		 40
Financial Emergency Tax		 41
Committees for the Session		 41
Temporary Chairmen of Committees	•••	 41
Address-in-Reply, third day	•••	 41
Bill: Supply (No. 1) £2,200,000, 2R.		 50

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

#### QUESTION—LOTTERIES COM-MISSION.

Hon. H. SEDDON asked the Chief Secretary: 1, What amount has been distributed for charitable and other purposes from the proceeds of lotteries conducted by the Lotteries Commission to the end of July, 1934? 2, What amount is now held for the above purposes and undistributed to the same date?

3, Has any of this undistributed money been allocated for any of the above purposes? 4, If so, will the Minister supply details of the allocation?

The CHIEF SECRETARY replied: 1, £59,644 10s. 5d. 2, £42,068 6s. 6d. 3, £27,230 (for details see list attached). 4, Answered by No. 3.

#### Lotteries Commission Commitments.

The total commitments to date amount to £27,230, for the following institutions:— Kondinin Hospital, Moora Hospital, Three Springs Hospital, Southern Cross Hospital, Kojonup Hospital, Mt. Barker Hospital, King Edward Memorial Hospital, Mt. Magnet Hospital, North Fremantle Children's Fund, Old Men's Home, Upper Blackwood Hospital, Quairading Hospital, Wongan Hills Hospital. Mullewa Hospital, Yarloop Hospital, Gnowangerup Hospital, Manjimup Hospital, Pemberton Hospital, Housing Trust, Ron Doig Memorial Ward, Swan Boys' Orphanage, Clontarf Orphanage, Narrogin Hospital, Wiluna Hospital, Anglican Girls' Orphanage, Infant Health Association, Kalgoorlie Hospital, Albany Hospital, Flying Doctor's Fund, Infant Health Centre (Nedlands), Onslow Hospital, Roebourne Hospital.

# QUESTION—FINANCIAL EMERGENCY TAX

Hon. H. SEDDON asked the Chief Secretary: What amount was collected from the financial emergency tax each month from December to June, inclusive, for the years ended June, 1933, and June, 1934?

## The CHIEF SECRETARY replied: Collections—Financial Emergency Tax.

		1932/33	3.			
1932		•		£	s.	d.
December				10,864	6	6
1933.						
January				22,597	12	0
February				26,990	2	8
March				36,526	11,	10
April				33,751	6	10
May				37,194		9
June	• •	• •	• •	34,411	18	8
			£	202,336	7	3

		1933/34	ļ.			
1933.		-		£	s.	d.
December 1934.	••	••	••	33,538	16	2
January				33,018	7	5
February				44,310	7	6
March				60,671	9	7
April				49,758	16	9
May				58,971	17	1
June	• •	• •	• •	49,603	13	2
			£	329,873	7	<u>-</u> 8

#### COMMITTEES FOR THE SESSION.

On motion by the Chief Secretary, Sessional Committees were appointed as follows:—

Standing Orders.—The President, the Chief Secretary, Hon. J. Cornell, Hon. C. F. Baxter, and Hon. J. Nicholson.

Library:—The President, Hon. C. F. Baxter, and Hon. G. Fraser.

Printing.—The President, the Honorary Minister, and Hon. W. J. Mann.

Joint House.—The President, Hon. J. Cornell, Hon. E. H. Gray, Hon. V. Hamersley, and Hon. G. W. Miles.

## TEMPORARY CHAIRMEN OF COMMITTEES.

The PRESIDENT: I wish to announce that in accordance with Standing Order 31A I have nominated for this session a panel of three members to act as temporary Chairmen of Committees, namely, Hon. J. Nicholson, Hon. V. Hamersley, and Hon. E. H. Gray.

#### ADDRESS-IN-REPLY.

#### Third Day.

Debate resumed from the previous day.

HON. A. THOMSON (South-East) [4.43]: I wish to add my congratulations to those already offered to you, Mr. President, upon the excellent work you did for Western Australia whilst in the Old Country recently. In the course of his remarks the other day, Mr. Fraser spoke of the uncertainty of when the axe was likely to fall. I had not noticed the matter to

which Mr. Fraser referred, but in view of his remarks I shall, perhaps, watch for that sort of thing more closely in the future. There is no doubt that during your absence, Sir, Mr. Cornell filled your position with dignity, and kept up the traditions of the office that you so ably fill. It must be gratifying to you to know that Mr. Cornell performed his duties so well during your The Speech, as usual, amounts only to so much window dressing or padding. As pointed out by Mr. Fraser, however, these Speeches do draw public attention to various matters, and this does a certain amount of good. The Speech gives one reason to believe that there is a slight improvement in our prospects. If, as is claimed by Mr. Fraser, this slight improvement is due to the present Administration, one would feel inclined to say, "Long may they continue in office." Governments come and Governments go. Each claims that credit for improved conditions, each blames the depression and world conditions for any shortcomings there may be. In actual fact, the less Government interference there is with private enterprise, the greater likelihood there is of an improvement being shown in the position. As the world conditions are to-day, it is somewhat unfortunate that it seems to be increasingly difficult every session to avoid further restrictions, and additional posts upon industry and the people generally. In the Governor's Speech the fact is emphasised that rigid economy is necessary and that essential services only can be carried on. I deeply sympathise with the Treasurer in the difficult task that confronts him. The various departments and other branches of governmental activities for which he has to provide funds, are reminiscent of Oliver Twist, all crying out for more, and yet more money to be expended. I congratulate the Government on the action they took in renovating many of our public buildings. No doubt, schools, hospitals, and other buildings in the country districts, as well as in the metropolitan area, had reached a most deplorable and disreputable condition. The action of the Government in undertaking the renovations served a two-fold purpose. vided much needed work, and had the effect of preserving State property. On the other hand, seeing that economy is so necessary, I do not think that phase was safeguarded

as satisfactorily as the Premier would desire. While it was absolutely essential that the work of renovation should be undertaken, the despatch of men from the city to districts, of perform work in country which there have been hundreds of instances, whereas that work could have been satisfactorily undertaken by tradesmen in the localities concerned, did not tend towards economy. Such an action frequently accentuated the difficulties of small contractors in country districts, for they were debarred from carrying out work that they performed in their respective usually While dealing with the matter of towns. contracts, I would like the Chief Secretary to ascertain under what section of the Financial Emergency Act, the officials of the Public Works Department deducted, on behalf of the Taxation Department, a levy of 4d, in the £ on material used on petty contracts in the country districts?

Hon. R. G. Moore: Others want to know that, too.

Hon. A. THOMSON: In my opinion, that action was quite wrong. The Act provided for a tax only on wages and salaries. action of the departmental officials placed many small contractors in an invidious position, although it put the Public Works Department on a much better bas's when work was undertaken departmentally. In such circumstances, of course, no deductions would be made on material used by the department, whereas the smaller contractors would be mulet in the added charge. imposition of this additional tax on private employers should be investigated, and I shall be pleased if the Chief Secretary will look into the matter, I was gratified to note from the Governor's Speech that the Teachers' Training College is to be opened, under certain conditions. I hope one factor will be greater encouragement to our young men to take up teaching as their profession. do not desire to cast any reflection upon the ladies who have performed very useful work over a period of many years in the instruction of our children, but I think the position nowadays has somewhat altered. I trust the future policy of the Education Department will be to employ more men than formerly. I know the reply can be made that the teaching profession in the past was not as attractive as other professions, and that that probably represents the explanation of the predominance of female teachers. I deeply deplore the attitude taken up by the Teachers' Union to secure what they term the "adjustment of their grievances." I do not propose to enter into the merits or demerits of their claims, but to emphasise the fact that the moral effect of their attitude on the rising generation must be absolutely deplorable.

Hon. V. Hamersley: Hear, hear!

Hon. A. THOMSON: We all know children are copyists, and that emphasises the fact that teachers have to shoulder a They have to mould great responsibility. the characters of children under their care, and in many instances they exercise a greater influence upon them in later life than even the parents. Unfortunately, the action the teachers took can be interpreted by the children as meaning, "Do only what you have to do-nothing more, and nothing That is not the proper training to give young children. They should be encouraged, by precept and example, to do more than the essential work, and it should be impressed upon them that frequently it is only by putting forth greater efforts that the goal of success can be gained. I trust that not only the teachers but the officials employed in every section of the Government service-I include members of Parliament, too-will realise it is only by combined effort and by a determination to do a little bit more than is set out in the regulations, that the State will be in a position to provide improved conditions for the community. There is one matter affecting the regulations dealing with scholarships that should receive some attention, for a distinct hardship and injustice is imposed upon many parents and their children who reside in country districts where high schools are not located. To the regulation that deals with the admission of scholarship holders to the Modern School in Perth, or high schools in country districts has been added a clause, which. I understand, was inserted recently, reading as follows:-

If the winner of a scholarship resides at such a distance from all the approved schools that it is necessary for him to become a boarder, or to live away from home, an additional allowance of £24 per annum will be given; provided that his parents are in receipt of an income not exceeding £300 per annum, or, alternatively, £50 for each dependent member of the family. (For the purpose of this calculation the parents will be included in computing the number in the family.) Proportionate payments are made

at the end of each school term. In necessitous cases a term's payment in advance will be granted, if application in writing is made to the Hon, the Minister for Education and the parent or guardian enters into a bond, on the prescribed form, to refund such advance should the scholarship-holder not satisfactorily complete the term.

While I will not raise any particular objection to the amount of income that is specified regarding parents whose children may be allowed to participate in the scholarships, the new regulation creates somewhat of an anomaly. A man who lives in Geraldton, Bunbury, Northam, or Albany, or, of course, Perth, seeing that there are Government high schools in those localities, will suffer no hardship through not being able to draw the boarding allowance that has been payable in the past, because his salary £300 a year. On the is more than other hand, those in receipt of a simiand residing in districts where high schools are not situated, suffer a distinct hardship through being deprived of the boarding allowance. the Government will reconsider this matter, and that the Chief Secretary, when replying to the debate, will be able to assure us that attention has been given to the rectification of the anomaly. It must be realised that the sending of one's child to a high school involves additional expense beyond the £24 that has been payable in the past as a boarding allowance. If the regulation is maintained in its present form, it will debar many country children from participating in the benefits to be derived from the holding of a scholarship at one or other of the high Perhaps some members may think it is a sort of fetish with me that we should appoint select committees to investigate various Government departments. Nevertheless. I consider it would be of interest to the State if a select committee were appointed by this House to give consideration to the curriculum of the Education Department and to investigate the general administration of the department, with a view to ascertaining whether it is possible to avoid the overlapping that takes place at present, and to indicate where economies can be effected. There are many who are considering seriously whether the State is obtaining full value for the money spent on the system to-day.

Hon. J. Cornell: That depends largely on the make-up of the child.

Hon. A. THOMSON: I admit that. believe this would be a profitable field of investigation for a select committee. be in conflict with the views of some of our educationists when I say there is room for inquiry regarding the conditions which children are taken through the higher standards. Certainly they may greater knowledge, but we should recognise the tendency for individuals to become specialists. That phase could be considered, and I am convinced that a select committee could make representations to the Minister by which considerable economies might be effected. It will be agreed that our system of education has grown up, and various innovations have been introduced because some particular Minister has had a desire to do certain things. If we had that committee the House would have an opportunity at a later stage of considering the report from which I am certain good would accrue. With regard to the railways, most members, though perhaps not the new members, are aware that on three different occasions I have moved in this House for the appointment of a select committee to inquire into the question of the over-capitalisation of the system. I am going to be quite honest and say that so far I have not seen any reason to change the views I have so frequently expressed in this House. I have the greatest sympathy for the Commissioner of Railways and his administrative officers in the almost impossible task imposed on them of making our railways pay under existing conditions. We have just had a Royal Commission that has given close and exhaustive attention to the affairs of the Agricultural Bank, and while not agreeing with many of the recommendations of that Commission, I consider that as the result of the findings much good will eventually result to the State and to those who will have occasion to make use of the Institution. However, I shall deal with that matter at a later stage. The Commissioner of Railways is showing this year an additional loss of £103,579, and it is illuminating to know that one of the reasons for that loss is the fact that the railways have not been hauling as much wheat this year as in former years. That is striking confirmation of what I have frequently said in this House and in another place, that the only time the railways have shown that they have been able to meet their commitments has been in those months in which they have

carried full train loads of wheat to the ports. At the present stage I have no desire to deal at length with the railways further than to say that I am still firmly convinced that the system is over-capitalised and that the Commissioner is asked to perform an impossible task when he is expected to make them pay, unless of course he is permitted to impose what might be termed exorbitant rates. The Transport Co-ordination Act has been brought into being, and we have to give the board administering the Act an opportunity to do so in the manner intended by Par-I do not desire to condemn liament. the Transport Board for their interpretation of the Act, but I cannot refrain saying that if Parliament from really thought the Act was to be administered in the manner that we have seen, I believe there would have been some drastic amendments made. mind there is one amendment which should be made during the present session. When the Bill was before us, I drew attention to the fact that no provision had been made for compensation. The South Australian Act provides for compensation to those who have been refused the right to carry on their business, and I consider it is only British justice that a similar provision should be contained in our Act. Unless this is done many men who took up that calling and purchased motor trucks will be faced with absolute ruin. The Government would only be doing common justice if it amended the Act to make provision for compensation. I have already given notice that Clause 48 of the Regulations should be disallowed. All I desire is that the words "Police Magistrate of Perth", should be struck out. It was definitely laid down in the Act that anyone whose license was refused should have the right of appeal to a stipendiary magistrate, and it is grossly unfair on the part of the Transport Board to expect a man whose residence is in the country, not only to have to put up a deposit of £10 in connection with his appeal, but that he should have to travel all the way to Perth to have his appeal heard. It is regrettable during a discussion which took place in court that the magistrate declared that the interests of the State were paramount over those of the individual. I hope that Parliament will never pass an Act which will do injustice to a single individual, because it is our proud boast that we are able to get

British justice wherever we are. I sincerely trust the Act will be amended in the direction I have suggested.

Hon. J. Nicholson: You suggest that the stipendiary magistrate should be the magistrate that presides at the court nearest to the place where the individual resides?

Hon. A. THOMSON: That was the intention of Parliament, I am sure.

Hon. J. Nicholson: It was never intended to be otherwise.

Hon. A. THOMSON: I should like to have a few words to say about the goldmining industry. We are pleased that it has taken a new lease of life. At the same time, we find that the Government are experiencing great difficulty in being able to carry on the affairs of the State. Speech tells us that it is estimated we shall have a deficit of £7.50,000. I am going to make a suggestion for the consideration of the Government. The Federal Government promised a bonus for the gold-mining industry of so much per ounce for each ounce of gold produced. Later, when the price of gold advanced, the Federal Government decided to withhold that bonus until such time as the value of gold receded to £5 per ounce. To-day the value of gold in Australia is £S 10s, per ounce. Therefore it seems to me that a reasonable opportunity is offered to the Government to say that until such a time as the value of gold declines to £5 10s, or £6 per ounce, it is their intention to impose a royalty on every ounce produced in Western Australia. Nobody likes to impose additional taxes, and I have no doubt that my goldfields friends will consider that the imposition of such a tax would do an injury to the mining industry.

Hon, H. Seddon: Would you also be in favour of taxing wheat?

Hon. A. THOMSON: I am pleased to have that interjection: I really expected it from my friend. Let us deal with the position of the wheat industry. We find that the Federal Government have decided to allocate £1000,000 to assist the industry, and they say that if the price of wheat should increase to 3s. 7½d, per bushel, no assistance will be given. That of course shows that the Government are desirous of rendering assistance to the industry, though rather belatedly I admit. But in respect of gold, the price to-day is nearly double what it was in the pre-war years, and therefore it seems to me only fair and reasonable that that in-

distry should pay a certain amount of royalty. I do not see that the levying of a royalty would in any way be harmful to the industry. There would be nothing to a royalty would receded again in value to say £5 10s. per ounce, then automatically the royalty would cease, just as the Federal Government propose that the payment to the agriculturists shall not be made if wheat reaches a certain figure.

Hon. R. G. Moore: A different thing altogether.

Hon. H. Seddon: I did not hear you suggest taxing wheat when it was 9s. a bushel?

Hon, A. THOMSON: When was wheat 9s. a bushel?

Hon. H. Seddon: In 1921.

Hon. A. THOMSON: I do not think it was ever 9s. a bushel. In 1914 when we had a drought we were short of wheat in Western Australia and the State Government imported a quantity of grain from the Argentine. One would have thought in view of the serious position in which Western Australia found itself, as a result of a drought and the desperate need that existed for grain as well as for bran and pollard with which to feed starving stock, that the Federal Government would have waived the duty on wheat that was being imported. The State had to pay duty on every bushel of wheat, bran and pollard that was brought in from the Argentine. My friend said what about the is, a bushel we got for wheat. I do not remember the State ever having received that, but I do know that at the time of which I speak it would have been worth our while to pay even 12s. a bushel for wheat, the need being so great. The Government, however, fixed the price at 6s. Sd. for the local consumers. Give the farmers to-day an assured price, even half of the 6s. 8d., and they will not require any assistance in the shape of a bonus. The Chief Secretary and the Treasurer would then feel much happier. A royalty is charged on timber, and timber is a primary industry. A royalty could be imposed upon every ton of coal that is mined in Western Australia.

Hon. J. M. Macfarlane: And an excise could be put on beer.

Hon. A. THOMSON: That would be a Federal matter. I am dealing with State royalties. My endeavour is to offer a little constructive criticism, instead of indulging in mere destructive criticism. There is no reason why the Government should not impose a royalty of 5s. or 10s. per ounce on gold.

Hon. J. Cornell: Does the hon. member advocate taxing the prospector on 15s. a week?

Hon. C. F. Baxter: I have suggested exempting the prospector.

Hon. A. THOMSON: The Union Government of South Africa obtain a considerable amount of money annually from the goldmining industry. I regard that as a possible source of revenue here. stated in this House last session, during the debate on a Bill to amend the legislation dealing with miners' phthisis, that that disease was costing the State of Western Australia about £60,000 annually in maintaining the victims. While we as a people have cheerfully embraced the opportunity to aid those unfortunate sufferers, surely in the flush of a gold-mining boom the industry should be able to carry its share of the responsibility! The State has been bearing the burden for years.

Hon. R. G. Moore: The mining companies contribute towards the cost.

Hon. A. THOMSON: Those contributions may stop at any time. A royalty would have to be paid.

Hon. G. W. Miles: Would not the imposition of a royalty affect the flow of money coming in for development?

Hon. A. THOMSON: Not at all. That argument can be used against any tax or royalty. We need not worry too much about it. The wheat industry has at last been recognised as a great asset to the Commonwealth.

Member: A great liability.

Hon. A. THOMSON: The mining industry was a liability to Western Australia for many years.

Hon. G. W. Miles: The mining industry put Western Australia on the map.

Hon. A. THOMSON: I will admit that. However, the wheat industry assisted materially to put Western Australia on the map. Let us not set one industry against the other.

Hon. G. W. Miles: That is what you are doing.

Hon. A. THOMSON: I am not. I was merely pointing out where the Government could obtain some additional revenue. I agree with Mr. Seddon that if the farmers were in the happy position of receiving 9s. per bushel for their wheat, they would cheerfully pay a tax on it.

Hon. J. Cornell: You can cheerfully make that suggestion!

Hon. A. THOMSON: The Commonwealth have just awakened to the fact that the wheat industry is of great value to Australia. I am not setting that industry up against any other industry. The Commonwealth realise the seriousness of the position, as the result of the findings of the Commonwealth Royal Commission. I hope the Commission's report will be made available to every member of the Chamber. The Commonwealth Government propose to make £4,000,000 available for the assistance of the wheat industry. If the price of wheat rises from 3s. to 3s. 71/3d., no assistance will be rendered by the Commonwealth.

Hon. J. Cornell: No assistance on the basis of wheat alone, but there may be assistance in other directions.

Hon. A. THOMSON: That is a moot point. I am pleased that the Federal Government have decided to recognise that the wheat industry is essential to the wellbeing of Australia, and particularly of Western Australia. However, I take exception to the basis on which assistance was given to the industry last year. Men who had paid perhaps some slight income tax were denied the right to receive any bonus. In effect, the basis meant that the inefficient farmer got more assistance than the efficient man. I hope that any future distribution of bonus will be on sounder lines than those which have obtained in the past. Mr. Baxter said that many people were asking when the farming industry would receive the £100,000 assistance which the State Treasurer is alleged to have promised. I suggest that if the State Government are desirous of assisting the wheatgrowers, they can assist by reducing railway freights. Again, as regards bulk handling, irrespective of which particular scheme is to be adopted here, it is the bounden duty of the Government to make provision for allowing people who are willing to construct silos at their own expense to do so. There should not be a policy of passive resistance holding up the construction of siles where the existing company desire to establish them. know this is a painful subject. Some people argue that siles, to be any good, must be of

concrete. I shall not enter into that phase of the question except to say that, as a contractor, I consider that the mobility of the bulk handling scheme which has been adopted in our country districts may involve one or two small losses but is most economical and serves the purpose. I hope the Government will not delay much longer in granting permission for the erection of new silos.

Hon. G. W. Miles: The Premier said a statement would be made on the subject next week.

Hon. A. THOMSON: I am sorry I missed that announcement. It is essential that the farmers in particular districts should know whether they are to have silo facilities or not this season. If not, they must order bags. On the other hand, if silos are to be erected, the farmers will be able to save that amount of money. From the reports of both the Federal and the State Royal Commissions on the wheat industry it is evident that something must be done to rehabilitate the farming community.

Hon. J. Cornell: Something will have to be done to recondition the implements of the farmers.

Hon. A. THOMSON: The State Royal Commission declare that most serious consideration must be given to that matter. I am sure we are all prepared to support any scheme the Government may bring forward with that object in view. Ministers are faced with a difficult task, a task in which I am sure every member of this Chamber is prepared to assist them, with the object of achieving what is best in the interests of Western Australia. Such a document as the report of the Agricultural Bank Commission has long been overdue; but I take strong exception to the condemnation heaped upon the trustees of the Bank for, in effect, implementing the policies of the various Governments of Western Australia. We know that the Bank itself has been a developmental Ιt institution. has been Western Australia's most powerful factors towards opening up and developing its virgin lands. I hope that the Chief Secretary, when replying, will point out how much wealth has been produced here in the shape of wheat, wool, and other products of the soil, as the result of the operations of the institution. It is easy to condemn an institution like the Agricultural Bank, I

admit that much money has been lost; nevertheless, we must always bear in mind the wonderful benefits which have accrued to the State. It is all very well to say that the trustees should have informed Parliament of the position. I am sure full opportunity will be given to members of this Chamber to discuss the Royal Commission's report. However, as for blaming the trustees for carrying out the instructions of various Governments, and as for asking them to produce those instructions in writing, I would like to ask the Royal Commissioners themselves what they would have done if, having been returned with a mandate from the people to carry out a definite policy for developing the lands and assisting settlers, they had met with a refusal from some of their officers to carry out the Government's policy.

Hon. J. Cornell: Jack Lang's policy was carried out, and it broke the New South Wales Savings Bank.

Hon. A. THOMSON: That is true, but I hope that Ministers holding power in Western Australia will in the future, as they have done in the past, exhibit more regard for the country's institutions than that gentleman showed for the institutions of New South Wales. But that is the point: why should men who have carried out their jobs in accordance with the instructions of a responsible Minister be now blamed? If there is anyone to blame, is it the Auditor-General, for not having drawn attention to the position.

Hon. G. W. Miles: The Auditor-General has drawn attention to it, but members of Parliament have taken no notice.

Hon. A. THOMSON: That may be so; Parliament has to accept that responsibility. Hon. J. Nicholson: You may be doing the Auditor-General an injustice by blaming him.

Hon. A. THOMSON: I have no desire to do him an injustice, but he can be removed only by Parliament; no Minister can dismiss him, whereas a Minister can dismiss the Trustees of the Agricultural Bank. Therefore, if the Commission's report touching the Auditor-General's lack of attention is correct, some drastic alteration must be made. The Trustees of the Agricultural Bank, and the bank itself, have performed a very useful function. I regret that so much money has been lost, but members from all sections of the House have frequently

drawn attention to the fact that we have reached the danger zone in quite a number of agricultural areas. Yet frequently successive Governments have placed upon the shoulders of the trustees responsibilities which they themselves had no desire to accept. When the Government said, "Carry on this work," the trustees had to do their job, and, taking it on the whole, they have done it fairly efficiently.

Hon. J. Cornell: Subject to the same control, the Commonwealth Bank would have done the same.

Hon. A. THOMSON: No doubt.

Hon. G. W. Miles: The report of the Commission is a good argument for nationalisation of banking, which we hear so much about.

Hon. A. THOMSON: Possibly it could be used as a shining example. Certainly it shows the danger—

Hon. J. Nicholson: If the Government should have a say in the banking policy.

Hon. A. THOMSON: That is so. It is pleasing to note that despite the agricultural depression, 583 applications for conditional purchase land were received last year, and 124 applications for pastoral leases. While the farming industry is at present under a cloud, no doubt ultimately it will win through. The deficit is shown at £788,912. The Premier, in his speech, said it was decided at the last meeting of the Loan Council that Western Australia's deficit should be financed up to £650,000. He added that the limitation to this amount was made possible only by applying to the reduction of the deficit the major portion of this State's share of the special grant of £2,000,000 to Commonwealth distributed by the amongst all the States. The Federal Government are certainly in a very happy position, while it appears to me that the position of Western Australia in dealing with the Federal Government is very unsatisfac-It was an amazing thing that the chairman of the Federal Grants Commission, before accepting that office, pre-judged the position of Western Australia, and said the people of this State were not being sufficiently taxed. That view is to be found perpetuated in the report of the Commission, which states that we are not being taxled sufficiently high.

Hon. G. W. Miles: And as compared with the people of the Eastern States, it is true. Hon. A. THOMSON: The fact is that successive Governments of Western Australia are in a very much better position than is the Federal Grants Commission to judge the amount of taxation the people can bear. It was a gross impertinence on the part of the chairman of that Commission to pre-judge our position and say that our people were not being sufficiently taxed.

Hon. J. Cornell: What he said was that people who tax themselves sufficiently high should not be called upon to help support those who do not.

Hon. A. THOMSON: The Minister for Works, in opening the Road Board Conference to-day, made reference to one little crumb of assistance we get from the Federal Government. He reminded us that he had introduced a tax upon petrol, and that, although the Constitution of Australia was based upon the same conditions as applied in the United States of America, where each State imposes and collects a tax upon petrol, it remained for the Federal Government of Australia to take South Aus-Australia to tralia and Western High Court and have that State tax upon petrol declared ultra vires. In three vears they have collected in Western Australia by means of the petrol tax over £400,000, and have returned to us £300,000. so making a profit of £136,000...

Hon. L. Craig: And they call the £300,000 a grant!

Hon. A. THOMSON: Yes. The Treasurer of Western Australia would be very pleased to collect Federal customs dues in Western Australia and charge the Commonwealth an equivalent amount for the service of collecting. The Federal Government, the only Australian Government having a surplus, are able to give their employees a partial restoration of the emergency cut made in Conversely, the position of their salaries. the States is becoming desperate, and I hope some benefit will accrue from the secession delegation, which I trust will soon be appointed. Moreover, I hope that a responsible Minister will accompany that delegation to place the Case for Western Australia before the Imperial Parliament.

Hon. J. Cornell: The Government have said that no Minister will go.

Hon. A. THOMSON: Let us hope they change their minds. Now we find the Federal Government are going to spend £20,000 in distributing to everybody in the State a

copy of the Case which the Federal Government are to submit, proving what wonderful friends they are to Western Australia. Are the Western Australian workmen going to benefit by the distribution of this £20,000? It will be found that the whole of the printing and all other work will be done in the Eastern States, and the only privilege Western Australia will have will be in bearing her quota of the cost. If the Federal Government have so much money to spend, they could spend it in much more profitable directions.

Hon. J. Cornell: The State Government will be spending a lot on our own delegation.

Hon. A. THOMSON: The people of Western Australia decided, by an overwhelming majority, in favour of secession, as a result of which special Bills have been passed by an absolute majority in both Houses of this Parliament. It is now the bounden duty of the Government to carry it all into effect, and so I hope the Government will very soon appoint the delegation. In His Excellency's Speech, I find this—

The number of persons receiving sustenance, which stood at 6,265 on the 1st July, 1933, has been reduced to 1,196.

Twelve months ago sustenance was costing this State £7,127 per week, as against £1,787 at the present date.

That reads very well, but I am afraid the position is that the financial responsibility has simply been transferred from revenue to loan expenditure. Like Mr. Baxter, I hope the Minister, when replying, will supply us with lists of the work which has been carried out, and tell us how much of it is hoped will prove reproductive. I sympathise with the Government in the task they have in endeavouring to find employment for the unemployed, and I should like them to use their influence in assisting those of our boys who are leaving school. At present, those suffering most are the younger men. I know the position in the hands of the Arbitration Court. I wrote to the Economic Council asking what steps were being taken to relieve the position and make it possible for young men to secure employment. It is tragic that many of our boys are considered too old at the age of 18. The time has arrived when the Industrial Arbitration Act should be amended to enable the court to relax the apprenticeship and other conditions relating to payment according to age. If the boys were paid according to experience, much good would accrue. It is exceedingly difficult to obtain a position for a boy once he has passed the age of 16 or 17. I congratulate the Minister for Employment on his sincere efforts to provide work for the unemployed. I realise also that the previous Government, with less money at their disposal, endeavoured to carry out this task and ease the difficulties of the unemployed. I commend the Government for the consideration they have shown married men who are out of work--it is right that they should have preference-but the lot of the single man who has not a "bob" in his pocket and cannot obtain work is indeed hard. I hope that, as conditions improve, the position of single men will be bettered. The Government have spent a considerable sum of money to provide work for single men at the Frankland River, west of Mt. Barker. There is a rumour-whether correct, I cannot say-that the Government intend to cease work in that area. If they do, I am afraid that the money already expended will be wasted. Those of us who know something of the land are well aware that it will not stand still-there must be progress or retrogression. The Government should consider the appointment of a local committee with whom to discuss the matter. I can suggest men who would be willing to confer with the Minister. The work would be improved if, in addition to establishing pastures, areas of fruit trees were planted. If orchards were established in that area, I consider the time is not far distant when men from the Eastern States and probably from the Old Country will be looking for properties on which to earn a living, and if we could offer established orchard and pasture properties, I believe the Government would be able to recoup themselves some of the expenditure involved in providing work for single men. I should like to direct the attention of the Minister to the scope for developing tourist traffic in this State. Those members who have visited New Zealand and Tasmania know how efficient are the transport co-ordination services in those countries. We are not expending enough money on publicity to encourage tourists to come to Western Australia. If the State Transport Coordination Act permitted similar methods to those employed in New Zealand to be adopted, a large number of tourists would be encouraged to come here. It is estimated

that every tourist leaves an average of £1 per day in the places he visits. We have timber country the like of which no other country, with the possible exception of California, possesses, and many people would travel hundreds of miles to see it. I know of nothing more beautiful than a trip through our majestic karri country. our caves, our south-west scenery generally and the wheat belt, we have much to interest the tourist. I strongly urge the Government to allocate more money to the Tourist Bureau with a view to increasing tourist traffic. It is a source of wealth and we have sufficient to make the stay of tourists worth while. I am pleased that the Government intend to introduce legislation to deal with metropolitan public utilities. I have advocated it for many years. I believe it would be in the interests of the metropolitan area to have a metropolitan board of works such as obtains in other parts of Australia. An amendment of the Electoral Act is urgently Press reports indicate irregularities connected with the recent Council elections. Is there any reason why we should not adopt provisions similar to those in the Commonwealth Electoral Act, whereby an elector may record his vote at any polling booth, regardless of the electorate for which he is qualified. Under such a system many of the abuses that creep into the postal voting system could be overcome. During the session, opportunities will be afforded to discuss many important matters. I trust that the outlook for the State, which at present is much brighter than it has been owing to the rise in the price of wheat-

Hon. G. W. Miles: The price of wool has declined.

Hon. A. THOMSON: Yes, but I hope the decline will not be serious. If we can obtain better prices for our primary products, I feel sure that next year the finances of Western Australia will appear much healthier.

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

#### BILL-SUPPLY (No. 1), £2,200,000.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [5.54] in moving the second reading said: This is the usual Supply Bill presented at this time of the year. Its object is well known to members. The effect of the

measure is to enable the Government to finance operations until the passing of the Estimates. These will come before Parliament as early as possible. Last year, we asked for two months' supply. We met then on the 18th July. If the supply were limited to two months on this occasion, it would be necessary to introduce a further Supply Bill almost immediately, or certainly after the end of this month, so this time we are asking for three months' supply and the Bill has been framed accordingly. The money asked for is to carry on the administration and continue works already undertaken under authorisation. The amounts required are--

Consolidated Revenue General Loan Fund Treasurer's Advance	Fund	 1,300,000 600,000 300,000
Total		 £2,200,000

Revenue expenditure for the three months, exclusive of Special Acts, is estimated as follows:—

July August September	••		 	430,000 420,000
		Total	 	£1,300,000

The Loan expenditure is estimated thus:-

		Total			£600,000
September		• •	• •		230,000
August	• •	• •	٠.	• •	200,000
July					170,000

The deficit last year was £788,912, which was £40,447 above the estimate. The estimated revenue was £8,541,402, and the actual revenue £8,481,697, a shortage of £59,705. The estimated expenditure was £9,289,867, and the actual expenditure £9,270,609, a saving of £19,278. The Loan Council has approved of a loan programme for 1934-35 of £3,150,000, contingent on the necessary funds being raised. Included in the amount is £150,000 for the East Perth Power House. I move—

That the Bill be now read a second time.

HON. H. SEDDON (North-East) [5.58]: As the Supply Bill is one of the measures that afford an opportunity at the beginning of the session to discuss the finances of the State, I consider it an occasion on which a few remarks might appropriately be made to past performances

and possibly to future expenditure. As the Chief Secretary has pointed out, the provision made by this Bill falls under three heads-consolidated revenue, loan fund and advance to Treasurer. Last year closed with a deficit, in round figures, of £789,000, bringing the total deficit from the 30th June, 1930, to £5,149,429. This deficit has been financed from loan funds to the extent of £3,718,000, and the balance either by loan funds or trust funds. The loan fund, however, is shown in the latest return to be in credit to the amount of £2,000,000 odd, so it is against that margin or trust funds that the difference has been raised. There has been considerable improvement in the deficit for July of this year compared with that for July of last year. The deficit for July this year was £158,900, whereas last year it was £290,000. It is interesting to note the trend of loan expenditure. In 1930, we spent £3,393,000 trom loan funds, in 1931 the expenditure dropped to £1,759,000, in 1932 it was £1,380,000, in 1933 it had crept up to £2.218.000, and in June. 1934, the amount expended was £2,664,000. This year, as the Chief Secretary has stated, we expect to spend £3,125,000 from loan funds. There is no doubt that the improvement which is claimed so far as Consolidated Revenue is concerned has been achieved by an increased expenditure from loan funds. Therefore, any apparent improvement from the employment standpoint, and the part the Government have played in that, has only been achieved by the old expedient of passing the burden on to posterity. Most people who know this have found it convenient to ignore it. in most cases the obvious thing is unjust and quite unfair. Instead of bearing the burden ourselves, we are passing it on to other people. The expenditure from loan funds last year fell under certain headings. An amount of £319,000, for instance, was expended under the heading of railways and tramways. It would be interesting to know how much of the £600,000 which is to come from loan funds under the present Bill, will be expended under that heading. Harbours and rivers last year absorbed £234,000. How much of the £600,000 is going to be expended under that heading? Under the heading of water supply and sewerage we spent £790,000, goldfields and agriculture £76,000, £910,000. minerals roads and bridges £124,000, buildings £91,000

and sundries £36,000. Under these headings, of the total expenditure on railways and tramways, £271,000 was for improvements to existing railways, whilst the Perth tramways absorbed £11,000. I notice another big item was £16,000 for the Bridgetown-Jarnadup railway, so that out of £319,000 spent on railways and tramways. a total of £298,000 is contained in the three items I have quoted. Under the heading of harbours and rivers, the Bunbury harbour absorbed £41,000, the Esperance jetty £21,000, the Fremantle harbour £87,000, and the Geraldton harbour £65,000. Under the heading of water supply and sewerage, goldfields absorbed an amount of £147,000, the greater part of which I take it was in reconditioning the pipe tracks; towns absorbed £55,000, sewerage £167,000, metropolitan water supply £175,000, and agricultural water supplies £244,000, a total of £788,790 under this heading. We find that agriculture appears under various headings. Under the heading of "development of agriculture" we find an expenditure of £185,000, Agricultural Bank capital £325,000, assistance to settlers £113,000. group settlements £115,000, and pine planting €151,000. Under the heading of "sundries," £35,000 is added to the capital of the Workers' Homes Board. I think it is necessary to compare the various ways in which loan moneys were expended last year. We spend this money year by year and we say we are creating assets. would be interesting to know how far these assets are real and tangible, and how far they are contributing towards the interest and sinking fund they should be carrying. I should like the Leader of the House to give us information showing on what works the £600,000 will be expended during the ensuing few months, for which period we are granting supply. It has been regarded more or less as a matter of form to pass these Bills every session. I can recall a Bill for £2,000,000 going through the House in a few minutes. In view of the fact that we are placing a burden on the taxpayer to find interest and sinking fund on the expenditure, I think we should investigate closely to see how the money is being laid out. Just now that is more particularly necessary. We should know all about these things. We have recently had put before us the gravest indictment ever levelled against the State. I refer to the

report of the Agricultural Bank Royal Commission. This indicates the necessity for Parliament engaging in the closest scrutiny of financial Bills. I agree with the remarks of previous speakers that the blame in this case has to a large extent been laid at the wrong door. I am inclined to think that the Trustees of the Bank, and possibly, the Auditor-General, have been made the scapegoats for what has been the responsibility of Parliament and the Government. There is no doubt that much of that which has been referred to by the Royal Commission, and much of that fault they find with the Institution, are due entirely to Government policy, and to the fact that members of Parliament have not carried their responsibility by strictly scrutinising the returns that have come before them from time to time. I am inclined to congratulate Mr. Baxter upon the stand he took last night, when he cheerfully confessed that a considerable amount of the responsibility lay with Parliament and the Government. Never since the introduction of "irresponsible" Government, has the truth been so plainly told as it has been told in the report of the Commission.

Hon. G. W. Miles: Quite right.

Hon. H. SEDDON: I use the term "irresponsible Government" because it is the only term that can be applied in the circumstances which have been brought to light, not only in connection with the report but with other matters which have been referred to from time to time.

Hon. W. J. Mann: When was that irresponsible Government constituted?

Hon. H. SEDDON: When we adopted the principle that has been in force for a long time of the Government being elected by people who do not pay for the calling of the tune. The present Government have taken a step in the right direction by the introduction or rather the continuance of financial emergency legislation. This made the Government more or less responsible insofar as every taxpayer who is earning anything like a decent wage is concerned, and ensures that he shall contribute something towards the expense of government in the State.

Hon. J. Cornell: We shall hear from some of them later on.

Hon. H. SEDDON: No doubt. Very shrewdly in their Bill the Government exempted a large number of their support-

ers, but that state of affairs has to a large extent been overcome by an increase in the basic wage. We know now that the workers in the metropolitan area stand on somewhat the same footing as those on the goldfields, and are bearing their share of thecost of government. Since the reign of irresponsible government has been somewhat curtailed, I hope that in time it will be replaced by the system of responsible government we all desire to see, and are always talking about living under. Some of the references in the Commission's report are particularly scathing, and I think are well deserved in the case of Parliament itself. I should like to draw attention to certain criticisms which have been levelled in the House in the past with regard to the operations of the Industries Assistance Board, and the entire lack of support accorded to the attempt to abolish the calamitous state of affairs that existed in the carrying on of that institution. I have seen many caustic references in the Press reports of the recommendations of the Commission concerning the financial circumstances surrounding the operations of the board. I do not want to rub it in, but would remind members that many of them, only last year, and during previous years, were party to the system of laying down agricultural railways which were not expected to pay, and with which the Commissioner was expected to compete against road transport, and turn to profitable account. That is the kind of thing for which members of Parliament are responsible.

Hon. G. W. Miles: Their consciences will begin to prick them now.

Hon. H. SEDDON: Given the opportunity of discussing the report of the Royal Commission, I think we shall all be prepared to shoulder our share of responsibility for this very damaging document.

Hon. G. W. Miles: They are to be congratulated on bringing it down and letting the taxpayer know the truth of the position.

Hon. H. SEDDON. A considerable amount of credit is due to the Premier.

Hon. G. W. Miles: And to the commissioners also.

Hon. H. SEDDON: It is due to the Premier for having brought the commission into being. He realised the necessity for clearing up a state of affairs which many people desired to clear up.

Hon. G. W. Miles: But which they had not the courage to do.

Hon. H. SEDDON: The Premier had the courage to give a free hand to the Commission to let daylight into this institution, in order that the position might be shown as clearly as possible by an investigation. He showed a very considerable amount of courage in facing the position and ensuring that it should be made known to the people.

Hon. G. W. Miles: He showed more courage than anyone else, but should have done the job himself.

Hon. H. SEDDON: Let us give credit where credit is due. I was surprised that the Case for Secession was not delayed a little longer. We suggested approaching the Imperial Government to give us the right to govern ourselves. Naturally, in the Case for Secession, we advanced all sorts of suggestions whereby we could justify that demand for self-government.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. H. SEDDON: Prior to the tea adjournment I was dealing with the report of the Agricultural Bank Royal Commission, so far as it applies to the Bill now under discussion. That most illuminating document contains much valuable information. It certainly indicates, as I have said, the extent to which irresponsible government has advanced in this State of Western Australia. A great deal of information has been gathered together under the head of the Case for Secession which it is proposed to present to the Imperial Parliament. I suggest that too much information cannot be made available to the Home authorities, if they are to consider seriously Western Australia's proposal to govern itself. As a further advantage to the Imperial authorities to enable them to form an idea of what is likely to be the trend of things if Western Australia does undertake to govern itself, the evidence gathered by the Royal Commission might well be embodied in the Case for Secession and likewise submitted to the British Parliament. In it the British Parliament will see, as the result of the Commission's disclosures, that money has been borrowed from year to year and that the same money has been passed straight through the Agricultural Bank into the State Treasury to pay interest on advances made by the bank. So

the British Parliament will be enabled to gather what our ideas are of governing Western Australia. Further investigation would show the British Parliament that in our Appropriation Acts we have taken into revenue moneys received from the sales of Government property bought with loan funds. Under the Financial Agreement the proceeds of such sales have been taken into revenue, and there is another indication of our sense of responsibility with regard to Therefore 1 mainhandling loan moneys. tain that the Commission's report is a most valuable and most illuminating document to place before the Imperial authorities, with a view to showing how capable we are of conducting the affairs of our State and what a sense of responsibility we have in handling funds which have been entrusted to us for development purposes. As regards the bank itself, it can be directly traced that the institution was steadily proceeding towards a dangerous position from the day on which those conservative, simple rules adopted by Mr. Paterson when the bank first operated were departed from. Had those rules been adhered to, and had the development of agriculture through the Agricultural Bank been continued on those lines, undoubtedly Western Australia would not be faced with the serious position which has been revealed as the result of the Commission's investigation. Along with other members I have advocated the necessity for the appointment of a committee of this House to go into the question of State finance generally. One of the strongest grounds for supporting that contention has been placed before us by the Agricultural Bank Royal Commission. Undoubtedly, if hon, members had taken the trouble to study Government accounts as they have been laid before the Chamber from time to time, they would have seen many cases where investigation was needed. It has been pointed out again and again that our finance has been unsound, not only in the domain of the Agricultural Bank, but also in other departments which have been entrusted with the spending of money. The time has arrived for this House to consider seriously the appointment of such a finance committee to investigate and report from time to time on the various Government activities from the financial aspect. I wish to point out that there has been placed before hon, members each year, together with the Budget, a table headed

"Classification of Loan assets." Among those Loan assets, which on the last return totalled nearly £79,000,000, there are many things which it might prove interesting to investigate as searchingly as Agricultural Bank assets have been investigated by the Commission. It might be interesting to ascertain what are the tangible assets in this table which is so proudly exhibited to show what has been created by the expenditure of Loan funds. The £5,000,000 of accumulated deficit which still stands against the State is being carried at the present time by the issue of Treasury bills. There is provision in the Financial Agreement that any debt incurred in the way of a deficit should he met by a special sinking fund of four per cent. per annum. That provision has, in my opinion, been side-stepped by the argument that this is not a funded that therefore the provision does The fact remains that the not apply. It is a fairly definite principle was there. principle to the effect that a deficit incurred in the course of the operations of the State should be immediately provided for and gradually wiped out by the establishment of a sinking fund of four per centil While we are disregarding our responsibilities in this and in other directions, we are to that extent contributing to the principle irresponsible government, which has landed this State in so serious a position. shall, of course, support the Bill. I hope the Minister will make available as much information as he can regarding the expenditure of Loan funds. I do commend to hon. members that they should take the question of finance most seriously into consideration, particularly as to the appointment of an investigating committee to go into the question of finance generally with a view to arriving at a sounder basis for the future than has been operative in the past.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply) [7.37]: It would not be possible for me to reply to Mr. Seddon's speech this evening. Indeed, I could not even attempt to reply until I have secured the necessary information from the Treasurer. That will probably mean the lapse of a few days. However, I suggest that in this instance I should do what I have done on previous occasions—ask for sufficient time to enable the necessary information to be furnished with accuracy, and then

with your permission, Mr. President, and the permission of the House, make a statement. The Bill itself is extremely simple. It does not authorise any expenditure whatever, nor does it authorise the construction of any new public work or undertaking. simply provides sums for the payment of civil servants and Government employees generally, and to meet the expenditure in connection with works already authorised by Parliament. It contains nothing except what has been authorised by Parliament, a continuation of authorised expenditure since the end of the financial year, expenditure authorised by the last Appropriation Act. That is what the Bill means, and the measure The Government have been is overdue. carrying on without authority since the 1st July. The same practice has been adopted before, though not quite to this extent. continuance of the practice at present seems to me improper. Generally a Supply Bill is submitted before the end of July and receives the sanction of Parliament; but by reason of the fact that Parliament was sitting till the 31st May, and also because everything was not up-to-date, the Government decided not to call Parliament together until the 2nd August. Thus a Supply Bill has not been submitted as early in the session as is customary under other circumstances. However, I realise that Mr. Seddon has made a highly important speech which raises points requiring to be met, and it will be my effort to supply all necessary particulars for the information of the House.

Question put and passed.

Bill read a second time.

House adjourned at 7.43 p.m.