

road and footpaths, and preparing the road leading to the recreation ground. It was also decided that the ratepayers of the central ward alone, the business and residential section, should be responsible for finding the interest and sinking fund on the loan.

Hon. A. Thomson: That was because the money was being expended only in the central ward.

Hon. J. M. DREW: Yes. A resolution to that effect was carried. It was deemed only just by members of the road board that, inasmuch as a large number of farmers and some pastoralists would be brought into the matter and be held financially responsible for the consequent taxation, etc., they should be excluded and the whole financial responsibility should rest on the ratepayers of the central ward. Everyone supported the proposition. In the drafting of the proposal for publication in the "Government Gazette" a couple of lines from the Act, Section 245, were inadvertently omitted, and whether the proposal is legal or not, the responsibility of the loan will rest upon the whole of the road district, farmers and pastoralists included. That, it is considered, would be a gross injustice to those people. Matters are at a standstill at the moment, but much time would be saved if Parliament passed this measure.

Question put and passed.

Bill read a second time.

In Committee.

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

House adjourned at 9.17 p.m.

Legislative Assembly.

Tuesday, 20th September, 1938.

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

BILL—MINES REGULATION ACT AMENDMENT.

Introduced by the Minister for Mines and read a first time.

BILLS (2)—THIRD READING.

- 1, Fair Rents.
- 2, Industrial Arbitration Act Amendment.

Transmitted to the Council.

BILL—PARLIAMENTARY DISQUALIFICATIONS (DECLARATION OF LAW).

Second Reading.

THE MINISTER FOR JUSTICE (Hon. F. C. L. Smith—Brown Hill—Ivanhoe) [4.35] in moving the second reading said: This is a small but highly desirable measure, and one which I believe will effect its intention. I trust it will be acceptable to both Houses of the Legislature. Its purpose is to remove doubts which have arisen in connection with the interpretation of those provisions of the Constitution Act to which it refers, and upon which there has been a great variety of legal opinions. Actually, I believe, there has been no legal decision on the question whether the provisions were intended to refer to every type of contractual relationship between a Government department and a member of Parliament, although there have been decisions which support the construction that the Bill seeks to place on those provisions. Subsection 1 of Section 32, with which we are primarily

concerned, deals with two classes of persons—those who enter into contracts with a Government department, and those who subsequently carry them out. The first class of persons is dealt with in the words “any person who shall directly or indirectly, himself or by any person whomsoever in trust for him or for his use or benefit or on his account undertake, execute, hold or enjoy, either in the whole or in part, any contract, agreement or commission made or entered into with, under or from any person whomsoever for or on account of the Government of the Colony.” The second class of persons is described as “those who shall knowingly furnish or provide in pursuance of any such contract, agreement or commission any money to be remitted abroad or any goods whatsoever to be used or employed in the service of the public.”

It is generally agreed, I believe, that these subsections as originally drafted were framed in such a way that it would not be possible for a member of Parliament to evade his obligations in connection with the contracts referred to: that is to say, that he would not be able to evade them, in the first instance, by getting someone else to enter into the contract or himself supplying the goods under that particular contract. The Bill does not seek to amend the provisions of the Constitution Act at all, but rather to interpret or construe them so as to clarify the meaning, upon which, as I have indicated, there has been much doubt. Whatever room might exist for difference of opinion from the purely legal aspect, this legislation, from the commonsense point of view, is aimed at such contracts as may be concerned with the transmission of money abroad and with merchandise used or employed, or to be used or employed, in the service of the public.

Hon. C. G. Latham: Will not this Bill allow an ordinary contract for public works to be carried out?

The MINISTER FOR JUSTICE: No. That is referred to elsewhere in the section. This Bill will not interfere with that section in any way whatever. It has been said, perhaps with some justification, that there is a tendency among lawyers—and because of this tendency we get varying legal opinions—to resolve doubts which exist in their minds regarding this particular section of the constitution by putting the widest pos-

sible construction upon it. This tendency is responsible for the many legal opinions that have been given on the section. The reason for placing the widest possible construction upon the section is because the legal fraternity bear in mind the heavy penalties that may be imposed for a breach of the section. As members know, the penalty is disqualification as a member of Parliament. Section 69 provides a further penalty, a fine of £200. Members should also bear in mind that this penalty may be sued for by any common informer. We regard ourselves generally as a highly civilised people who have had the advantages of education. We consider we have reached a high standard of intellectual development. After all, the history of every country is the history of its intellectual development; and, in comparison with other people, we regard ourselves as a people with a high knowledge of the arts and crafts, as people who are good colonisers and as people who contribute largely to the progress of mankind. Notwithstanding this, we do unfortunately still find in our midst persons who fall very much below the average standard and who are willing to assume the role of a common informer, a type of person despised in all ages and in all countries. So long as doubts exist as to the type of contract to which the section refers, members of Parliament who enter into the most innocent contracts or relationships with the Government may find themselves threatened with proceedings and heavy penalties at the hands of some chance common informer. Many countries, such as Australia, the United States of America, France and Germany have written constitutions containing specific provisions. The British Constitution, however is unwritten, although many of its rules are to be found in legal decisions and in separately enacted laws. The provisions in our constitution to which the Bill refers were first incorporated in a Bill—known colloquially as the Contractors' Bill—in 1782. This was introduced into and passed by the British House of Commons. Its provisions were subsequently repeated in another Bill in 1801, which referred to Irish members of Parliament elected to the House of Commons. Those enactments are known as the House of Commons Disqualification Acts of 1782 and 1801. That great reverence was felt for those Acts is evident from the fact that the framers of our constitution in-

cluded their provisions in the constitution under which we function. Sir Stafford Cripps, the British Solicitor-General, in introducing a measure similar to this into the British Parliament in 1931, to deal with precisely the same difficulty, said this—

The Act of 1782, as the House will perhaps recollect, was passed in order to deal with a specific grave scandal which existed at the time as regards what were known as contractors' profits, and also to deal with corrupt administration as regards the giving out of contracts by various Government departments. Apparently, it was generally acknowledged in the country at that time that excessive profits were being made in a corrupt way by various contractors who were supplying war material and stores and money for the purpose of carrying on the American war, in which the country then found itself engaged.

Later in his speech, Sir Stafford Cripps said—

I have again reviewed the Acts and all the opinions that had been given upon them and all the cases which had been decided under them, and I can tell the House that in my view the interpretation placed upon Section 1 of the Act of 1782 by this Bill is the correct one.

The Bill introduced by Sir Stafford Cripps passed both Houses of Parliament in England with little or no opposition. Thus, we are not seeking to establish a precedent on this occasion, but rather we have a precedent established from a source which, on matters of this kind, is one that I think will appeal to hon. members, and is not likely to be questioned by them. Previous to the English Bill of 1931, the House of Commons had passed a number of personal indemnity Acts to relieve members who had infringed the Constitution inadvertently in some small measure, and had consequently rendered themselves liable to disqualification and to possible penalties. The 1931 Bill introduced by Sir Stafford Cripps, and subsequently passed, dealt with a different kind of case. The personal indemnity measures dealt purely with types of contracts that would obviously be those referred to by the Constitution irrespective of what interpretation might be put upon them. But the English Bill to interpret and construe the meaning of the provisions arose out of a case in which Viscount Cranbourne, the member for South Dorset, inherited a property from his father, Lord Salisbury; and, prior to the decease of Lord Salisbury, that gentleman had entered into a contract with the Postmaster-General in connection with this property inherited by Viscount Cranbourne, under which he let

to the Post Office, on a year to year tenancy, a building used as the Hatfield post office. Being of the opinion that the Act of 1782 was never intended to cover such a case, and yet being influenced by the fact that there had been legal opinions upon the meaning and interpretation of these particular sections to which much weight must be given, and that the courts might possibly interpret Section 1 of the Disqualification Act in such a way as to bring under it every type of contractual relationship between a member of a Government department and a member of Parliament, Sir Stafford Cripps was anxious to remove doubts and clear up the matter. In connection with the case of Viscount Cranbourne, it would have been possible for the House of Commons to pass a personal indemnity Bill, but it was considered that if that had been done the House of Commons, too, would be assumed to be of the opinion that the provisions of the Act referred to every possible type of contractual relationship. It was realised also that if the House of Commons was to set its seal upon that particular opinion, quite possibly every member of the House of Commons might be placed in jeopardy. Sir Stafford therefore took steps to clarify the position, to interpret the Act by an Act, and so remove the ambiguity that had given rise to conflicting opinions.

In support of the opinions that Sir Stafford had formed as to the meaning of those particular provisions, that, as I have indicated, mostly referred to those types of contracts relating to the remission of money abroad, or contracts in connection with the wares and merchandise to be used or employed in the Government service, Sir Stafford quoted from the debates that took place in 1782 in order to give some indication of what was in the minds of those who framed the legislation and who were responsible for the passing of it. The Lord Chancellor of the day, Lord Thurlow, who was opposing the measure, said—

Why, then, separate the mercantile interests from those of the rest of the kingdom, and why say that merchants alone should not have seats in the House of Commons?

The President of the Council, Lord Camden, who was supporting the Bill, said—

The number of public contractors was well known and any observation made on that body would carry with it a personal tendency. It was the general principle of temptation against which the Bill was intended to militate, be-

cause the means offered or held out of amassing within a few years a princely fortune, a fortune ample enough to exceed in opulence even a modern Nabob, were sufficient, considering the forcible impression made by a man's family and friends, to stagger the most grim and decided character.

The language used by Lord Camden was, of course, altogether too strong for us to consider for a moment that he was even contemplating such a contract as that connected with the purchase from the Government of electric light or water supply, for instance. I am sure that the Speaker of this House could testify to the fact that the opulence of a Nabob could never be attained through an Agricultural Bank loan. Another speaker of the day, Mr. Burke, referring to members of Parliament who had contracts, said—

They had an option either to retain their political rights and sit in Parliament, or their professional and commercial rights by pursuing their trade and supplying the Government as usual.

I join with Sir Stafford Cripps in saying that these extracts are sufficiently indicative of what was in the minds of the framers of the legislation which was similar to that with which we are dealing in the Bill. The sections of the Constitution Act to which this Bill refers have come down to us, and still remain with us, almost a replica of the provisions in the Contractors' Act of 1782, and despite the fact that these provisions have persisted for over 150 years, with all their ambiguity, I do not think anyone has suffered through the wider legal interpretation that might be placed upon them as against the common-sense interpretation conforming to the evident intention of the framers of the original Bill. As members know, it has, however, given rise to a good deal of disputation and conflict of opinion, and the outcome has been that members of Parliament have functioned as such in an atmosphere of uncertainty because of their relationship with Government departments, and the extent to which they could have such relationships were indicated in the provisions of the Constitution which, in their terms, were implicit rather than explicit. This Bill will declare the meaning of the provisions in a way that will remove doubts. So I commend the measure to the House. I move—

That the Bill be now read a second time.

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

BILL—QUALIFICATION OF ELECTORS (LEGISLATIVE COUNCIL).

Second Reading.

THE MINISTER FOR JUSTICE (Hon. F. C. L. Smith—Brown Hill-Ivanhoe) [5.4] in moving the second reading of the Bill said: The object of the Bill is to repeal Section 5 of the Constitution Act Amendment Act, and to replace that section with other provisions. On the Bill that I have just introduced I spoke about antiquated legislation, and I indicated to some extent the archaic character of some of the provisions of our Constitution. The provisions of Section 15 of the Constitution Act also bear in a great measure the aspect of age. They seek to perpetuate the idea that acquisitiveness is the hall-mark of intelligence, that the capacity to acquire real estate rather than monetary wealth gives one that degree of intelligence needed to vote at Legislative Council elections. I remember recently reading in the "West Australian" an article by Professor Murdoch, who made a suggestion that a test of intelligence should be imposed upon electors before they were permitted to have a ballot paper on which to record their votes. Professor Murdoch suggested that the electors should be called upon to work out a cross-word puzzle before receiving their ballot papers. I certainly think that would be a much better test than the test imposed upon electors under the provisions of Section 15 of the Constitution Act as it now stands.

Hon. C. G. Latham: Do you endorse that article of Professor Murdoch's?

The MINISTER FOR JUSTICE: I do not.

Hon. C. G. Latham: Of course you select from it that which suits you.

The MINISTER FOR JUSTICE: Recently in a certain town in this State I met an old gentleman who at one time was very wealthy. He was hail-fellow well-met with all Legislative Councillors in this State, and they regarded him as possessing the necessary qualifications, and intelligence, of course, to vote reasonably at Legislative Council elections. Our economic changes, however, brought misfortune on that old gentleman, and to-day he is one of the down-and-outers. He demonstrated that in certain circumstances he was able to acquire wealth, but with changed conditions, he lost his wealth, and because of that loss he is no longer qualified under

the provisions of the Constitution Act, to vote at a Legislative Council election.

Mr. McDonald: It is a test of intelligence if a man can keep his money.

The MINISTER FOR JUSTICE: It is not a test of intelligence if a man does nothing but sit on his money. The usual test of intelligence and mark of citizenship is when a man invests his money and gives someone else as well a chance to acquire wealth; but if he has the misfortune to lose what he possesses, he is denied the right to vote at Legislative Council elections. The member for Nedlands (Hon. N. Keenan) the other evening spoke of the antiquated character of the Companies Act. Other members have referred to other Acts which, they say, have been on our statute-book for many years, and which should be amended because of their age. But they never say that about the Constitution Act, because of its antiquity.

Mr. Hughes: Members here have voted for a Bill to amend the Constitution Act.

The MINISTER FOR JUSTICE: Members hold the idea that the Constitution Act should be sacrosanct and that nothing should be done to interfere with its provisions. When an attempt was made to amend the Constitution Act in the direction of giving members of Parliament some protection—those who had certain types of contractual relationship with Government departments—another place feared to make the change, and urged that the Constitution should be sacrosanct. It should be no more sacrosanct than any other type of legislation; it should be kept up with the times and with the modern trend of thought—in connection with democracy, for instance. We talk about democratic forms of government and we are proud of our democracy. We talk also of government of the people, for the people, by the people, but we set up a Constitution in which the voice of the people, at any rate in connection with legislation, is distinctly muffled. In June of last year we had on the Legislative Assembly rolls the names of 249,887 electors, while on the Council roll at the same date there were only 86,411 names.

Hon. C. G. Latham: Can you explain the reason?

The MINISTER FOR JUSTICE: The hon. member knows that it is due to the restricted franchise.

Hon. C. G. Latham: No; for one House there is compulsory enrolment, and for the other there is not.

The MINISTER FOR JUSTICE: Before compulsory enrolment came into force in this State, the position was the same; and so, whilst we have this position, 86,000 odd electors can thwart, through another place, the wishes of 249,000 odd electors entitled to vote for members of the Legislative Assembly. Is it any wonder that the voice of the people is not heard, and that the desires of the people are not agreed to? In these days there is great need for democratic form of government. We should make it truly democratic so that people themselves will appreciate the fact that they have such a form of government and not one that merely masquerades as such, and under which one branch of the Legislature can constantly, year after year, stultify the wishes of the electors, and deny to the people those things for which they express a desire through the ballot box when they vote for members of the Assembly. No wonder another place is conservative in its outlook. Acquisitiveness is the natural attitude of mind on the part of the people who are thinking in the terms of property qualifications. Because they acquire some property they are regarded as possessing a greater degree of intelligence than any other section of the community that has not had the good fortune to become possessed of that which is necessary to give them a vote.

Hon. C. G. Latham: So long as they are paying 7s. a week rent, they are entitled to a vote.

The MINISTER FOR JUSTICE: Two members of the family cannot put up the 7s. a week rent.

Hon. C. G. Latham: Yes, they can.

The MINISTER FOR JUSTICE: They will divide the 14s. a week between them, will they?

Hon. C. G. Latham: I know of an instance in which the husband owned the house and he and his wife were put on the roll. A Labour organisation introduced that principle.

The MINISTER FOR JUSTICE: The question that arises in my mind, when I think of another place, is whether there is any justification for it. Frequently it is referred to as a House of review. From time to time we amend legislation that has been

passed by both Houses, and the question may arise whether another place adequately reviews the legislation it is supposed to review.

Mr. Doney: Do you think it does review legislation?

The MINISTER FOR JUSTICE: That House is supposed to be a safeguard against hasty legislation, but I doubt whether its existence could be justified from that point of view.

Mr. Cross: As is done by the member for Pingelly, it opposes legislation without reading it.

The MINISTER FOR JUSTICE: That another place constitutes a House of review, and that it safeguards the country from hasty legislation, are amongst the arguments frequently advanced by the supporters of the bi-cameral system of government. A body so constituted is not necessary for the provision of such safeguards. If it is necessary to provide safeguards they could be provided just as well if another place were truly representative of the people of the State. We know it is not a safeguard. It was created in the first place merely to obstruct legislation that might be detrimental to those who were capable of acquiring wealth. The suggestion has been made that during a wave of temporary enthusiasm a Government might be returned on a mandate from the people, and later on regret might be expressed at the Government's having been given that particular mandate. It is contended that members of the Legislative Council, who are elected every six years, and whose members in their proper turn go up for re-election every two years, provide a safeguard against any mandate arising out of a wave of enthusiasm. That safeguard would still exist if the members of another place were truly representative of our adult population. Its very unrepresentative character emphasises the objection to it. Advocates of the bi-cameral system talk about the dangers of the single Chamber system of government. I remember when Lord Asquith was speaking on the introduction of the Parliament Act—he was then Leader of the Liberal Government—he expressed the opinion that when a Liberal Government was on the Treasury bench in the House of Commons the only House that mattered was the House of Lords, because that House could obstruct

all the legislation the Liberal Government sent forward. He said that when a National or Conservative Government was on the Treasury bench in the House of Commons, the only Chamber that mattered was the House of Commons, because it sent up legislation that would be favourably viewed by the House of Lords. We have experience of similar circumstances here. Lord Asquith went on to say that because of this the country was exposed to all the dangers that were supposed to be associated with the single Chamber system of government. That is why I think something should be done to make another place more representative of the people. We should perhaps endeavour to abolish the Legislative Council altogether; but failing that it would certainly be of advantage, if we are to have a true democracy, to ensure that another place was truly representative of the adult population. I say without fear of successful contradiction that democracy in England was definitely improved through the Parliament Act, and the restrictions that it placed upon the powers of the House of Lords, which constantly and continuously thwarted legislation coming forward from the House of Commons. If we do not abolish another place altogether, we should provide an adult franchise for it so that it will be truly representative of the people. I see no reason why that should not be so. Although these may be my particular views on the matter, the Bill we are bringing forward is not so ambitious. We feel we should march with the times, and should not be governed in elections for the Legislative Council by provisions that have come down to us from past ages.

Mr. Raphael: Some of the members of another place have come from the past ages, judging by the look of them.

The MINISTER FOR JUSTICE: They hold views that go back to past ages, because they have not moved with the times. The country that does not move with the times is definitely retrogressing. It is necessary that we should at least attempt to make progress by extending the franchise of another place. This Bill contains a provision that will improve the position in that respect. We are not proposing to interfere with the freehold or leasehold qualifications, but we do propose to replace the householder qualification in Section 15,

associated with which is the clear annual value of £17, with an inhabitant-occupier qualification. I see no virtue in the restriction of £17. I cannot conceive why that amount was selected in preference to any other amount, or why there should be any specification in respect to the rent that a person pays for a particular dwelling house.

Hon. C. G. Latham: Will the inhabitant-occupier include his family?

The MINISTER FOR JUSTICE: It refers only to the head of the household. If the dwelling house is occupied, the occupier should have a vote. People will be thinking about different types of houses, those that cannot measure up to the standard of £17 clear annual value. Some houses in this State are certainly worth more than £17 per annum in clear annual value, but the occupiers in many instances, such as on timber mills and elsewhere, are denied a vote because they are paying less rent than that which would be the equivalent of a fair annual value of £17. I see no reason why, if economic conditions in certain parts of the State compel people to live in houses which may not measure up to this standard, they should be denied a vote. Evidently they are the victims of the economic conditions. In some parts of the State they are compelled, sometimes through a shortage of houses, or through the necessity for occupying houses that will not measure up to the £17 clear annual value, to occupy such places. If a house is fit for human occupation, that should be sufficient qualification for the inhabitant occupier. If a place is not fit for human occupation, the local authority sees to it that it is not occupied. The test should be that the place is occupied by the inhabitant occupier and that it is fit for human occupation. The Bill proposes to delete the ratepayer qualification.

Mr. Cross: A stupid qualification in any case.

The MINISTER FOR JUSTICE: Yes. Several reasons could be advanced why it should be deleted from the qualifications now appearing in the Constitution with respect to electors for the Legislative Council. At present any member of a road board or municipality has a watertight claim if his name is included on the roll for property of the annual value of £17 or over. These lists are very loosely compiled by many local authorities. A lack of care is shown in re-

spect to the initials of people whose names appear, and there is also lack of care in many instances concerning whether or not the names should appear on the ratepayers' list. In addition, there is a very important objection to giving people votes on the basis of rates paid in that the local authorities determine the basis of rating. By determining the basis upon which property under their jurisdiction shall be rated, they are able to override, or supersede, the provisions of the Electoral Act. I know of one local authority that divided a rateable property into sections and rated each section separately in order to allow a larger number of people to be included in the list of ratepayers and to permit the company that owned the property to nominate persons to be enrolled for each of the sections. That was never intended by the framers of the Electoral Act, but the opportunity to resort to that course was provided in that instance, by the methods adopted by the local authority in administering the Road Districts Act. As a result of that decision, the candle-house, the assay room, the stables and the storeroom were each rated separately. The object was not only to stuff the local authority's roll of ratepayers, but also to permit the appearance on the Legislative Council rolls of the names of a large number of people nominated by the company.

Mr. Marshall: In that instance the company declared who should be on the roll.

The MINISTER FOR JUSTICE: That is so. Even then, in that particular instance the electoral forms were not correctly submitted. Applications for enrolment must be signed by the applicants, but no signatures were attached to the forms to which I refer. Notwithstanding that fact, the local authority accepted them merely because they were forwarded by the company. The names of the applicants appearing on the forms were typewritten in the company's office. Despite the requirements of the Act, the local authorities failed to reject those applications but included on the ratepayers' roll the names of the persons concerned and thereby furnished the individuals with a watertight claim for a vote at Legislative Council elections. Another aspect of the ratepayers' roll that has some bearing on the electoral roll for the Legislative Council is that Section 222 of the Road Districts Act provides that the local authority may rate on the annual value or on the capital value of

property. Under that provision local authorities may rate on the capital value when dealing with townsite properties and avail themselves of the annual value when rating properties in other parts of the district.

Hon. P. D. Ferguson: It is generally the other way round.

The MINISTER FOR JUSTICE: That may be so; I do not know exactly what they do. I understand that in the district where I live the annual value is taken, but I do not know how it would be possible for me to secure enrolment for the Legislative Council in those circumstances. However, this double provision leads to confusion.

Hon. C. G. Latham: In your residential district they rate on the unimproved capital value.

The MINISTER FOR JUSTICE: I think that is so. However, it leads to confusion when some rating is based on annual values and other rating is determined by the capital value. Recently we passed a Bill to amend the Municipal Corporations Act with regard to distress for rates. I do not know whether it will become law, for that decision will depend on the attitude of the Legislative Council. The object there, however, was to relieve the occupier in respect of his legal obligations with regard to property, and to make the obligation with regard to the payment of rates a personal matter that could be dealt with in the local court. Personally I do not think there should be any obligation upon occupiers with regard to the payment of rates, and as there should be no such obligation upon occupiers, I also claim they should not be eligible for inclusion on the ratopayers' roll.

Another provision in the Bill sets out that the inhabitant-occupier qualification shall take precedence over the freehold qualification. That is a machinery matter that will facilitate enrolment and those that possess both qualifications will in future, if the Bill be agreed to, be enrolled as inhabitant-occupiers. Another clause sets out that no person shall be entitled to be enrolled in respect of more than one province. That suggestion is practically in conformity with legislation recently passed by both Houses of Parliament in Victoria, when the Constitution dealing with the qualification of electors for the Legislative Council was dealt with. In that instance, however, the amendment placed a prohibition upon a person

voting in more than one province, whereas a person could be enrolled for more than one province. The Bill now before members seeks to provide that no person shall be enrolled for more than one province. That is a desirable proposal. I cannot see why a person who holds £50 worth of property in each of the ten electoral provinces should have the right to cast a vote in each of those respective provinces. Another person could hold £10,000 worth of Commonwealth bonds, and yet not be able to cast a vote at a Legislative Council election. The real estate idea is redolent of the Middle Ages.

Hon. C. G. Latham: You know that Commonwealth bonds are exempt from State taxation.

The MINISTER FOR JUSTICE: That may be so, but at the same time it shows what was in the minds of the framers of the Constitution. The idea of granting the franchise on the basis of real estate has been handed down from the Middle Ages when property was the great desideratum. The alteration contemplated in the Bill will bring our Act more into conformity with the legislation that has received the approval of both branches of the Victorian Legislature. The Bill also provides a definition of "dwelling-house." Difficulty in that respect has been experienced arising out of the modern type of residences. I refer to flats in which so many people prefer to live to-day. The question arose as to whether residents of flats were brought within the householder provisions of the Constitution.

Mr. Cross: They were not.

The MINISTER FOR JUSTICE: I do not think they were, but the provisions of the Bill will give the right of enrolment to the inhabitant occupiers of dwellings such as flats that are separately occupied but structurally severed, and also to persons who, in pursuance of their employment, occupy rooms in buildings. There are many instances in the city in which five or six rooms in a building are set apart for residential purposes for caretakers and their families. If the Bill be agreed to, these people will have the privilege of voting in future.

I trust the Bill will receive the cordial support of members on both sides of the House. All members must recognise the necessity for some alteration in the Constitution regarding the qualifications of those

entitled to vote for the Legislative Council. I think I am right in saying that a Royal Commission that inquired into the operations of the Electoral Act approved of a definite alteration in the Constitution to deal with that phase.

Hon. C. G. Latham: But the recommendation was not so liberal as the proposal in the Bill.

The MINISTER FOR JUSTICE: It was nearly as liberal. I think the Royal Commission recommended doing away with the ratepayer qualification and recommended the inhabitant occupier qualification. The Bill deals with three principles only. It seeks to establish the inhabitant-occupier qualification, to dispense with the ratepayer qualification, and to restrict enrolment to one province only in the circumstances I have already outlined. I expect the Bill to receive sympathetic consideration from members generally.

Mr. Stubbs: You surely do not expect it to be passed.

The MINISTER FOR JUSTICE: I certainly expect that members generally will support the principles embodied in the measure.

Mr. Stubbs: You are optimistic.

The MINISTER FOR JUSTICE: I move—

That the Bill be now read a second time.

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

BILL—GERALDTON SAILORS AND SOLDIERS' MEMORIAL INSTITUTE (TRUST PROPERTY DISPOSITION).

Returned from the Council without amendment.

ANNUAL ESTIMATES, 1938-39.

In Committee of Supply.

Debate resumed from the 13th September on the Treasurer's Financial Statement and on the Annual Estimates; Mr. Sleeman in the Chair.

Vote—Legislative Council, £1,825:

HON. C. G. LATHAM (York) [5.45]:

In approaching a consideration of the Estimates of Revenue and Expenditure for the current year, I wish briefly to refer to the political situation in Europe which, despite

all efforts to reconcile differences, appears hourly to become more complicated and increasingly critical. Perhaps at no time since 1914 have international relations been more strained and the danger of another attempt at European domination more imminent than at present. Now, as in the past, all nations are turning to Britain for a peaceful solution of the existing difficult problems. World-wide approbation of the Prime Minister's dramatically unprecedented endeavour to effect a mutually satisfactory settlement of the dispute reflects the universal appreciation of Britain's earnest desire to bring about that better international understanding so essential to world peace. Whatever the outcome of the negotiations may be, we as units of the British Commonwealth applaud the sincere if unorthodox last-minute attempt by the Mother Country to stem the resolve to adjust existing differences by resort to armed force. Should Britain succeed, much will have been achieved in the direction of allaying quickly developing feelings of suspicion, distrust, and evil imaginings at present operating to disrupt amicable international relationships.

Meanwhile, we know not at what hour Western Australia may be called upon to shoulder her responsibilities as an integral part of the British Commonwealth. Therefore we should husband our financial resources by exercising the strictest control over governmental expenditure. Something might happen in Great Britain at any moment from which neither the Commonwealth nor the State can be excluded, and until the outlook brightens our financial resources should be very carefully conserved. After listening to the Financial Statement and after a careful examination of the Estimates, I am forced to the conclusion that the Government has not given much consideration to this aspect. Although additional revenue is available, the Government does not appear to have attempted to curtail expenditure in any way. Not only is the international outlook black, but the condition of our two chief staple industries—wool and wheat—apparently has not resulted in any real attempt being made to set up a policy of rendering assistance to tide them over a period of low prices.

When the Labour Party took office some 5½ years ago, it posed as the saviour of the country. We had promises of reduced taxation and of better conditions for the

workers. Generally speaking, everything in the garden was to be well. The ex-Treasurer had made an election promise to write out a cheque for £100,000 to assist the wheat-growers. Well, we have waited 5½ years—

The Premier: We have done more than that.

Hon. C. G. LATHAM: I shall show that the present Government has not done more.

The Premier: What about drought relief?

Hon. C. G. LATHAM: Those promises carried the Labour Party to the Treasury benches.

The Minister for Mines: Oh no!

Hon. C. G. LATHAM: Naturally, we have waited for the Government to enunciate some policy with a view to assisting those industries. Conditions did improve to a certain extent, due to the fact that for a short period higher prices prevailed for wheat and wool, but with the low prices now ruling for those commodities, the outlook for producers is blacker than it has been for some time.

Mr. Cross: Was not the reduction of railway freights of any assistance?

Hon. C. G. LATHAM: No, because the producers did not receive any.

Mr. Cross: They did.

Hon. C. G. LATHAM: The hon. member is again speaking without the book. There has not been any reduction of taxation to help primary producers; rather has taxation been increased. The amount of the estimated expenditure for the current financial year clearly demonstrates that fact. The Government has one policy, namely, to obtain all the money possible and to spend it wisely or injudiciously.

The Premier: In the interests of the people.

Hon. C. G. LATHAM: If the Premier takes money from the people and spends it, I suppose it is in their interests. I do not think I can argue that point, but there are different ways of spending money. The Government can spend the money wisely or simply throw it away. I do not know that I am prepared to charge the Government with throwing it away, but very little has gone to the industries that we represent. During the last two years some money was made available to keep certain men on the land, whereas without that assistance, they would have been unable to remain on their holdings. While I give credit to the Government for providing that money, we must bear in mind that the Com-

monwealth Government granted £100,000 for drought relief.

The Premier: How much?

Hon. C. G. LATHAM: A sum of £100,000, which is mentioned in the report of the State Grants Commission published in this morning's paper.

The Premier: That amount was merely advanced.

Hon. C. G. LATHAM: What is the difference?

The Premier: It is so much to come off of this year's grant.

Hon. C. G. LATHAM: The Government made that money available to the farmers, is charging them interest on it and expects them to repay it when they can.

The Minister for Lands: When they can!

Hon. C. G. LATHAM: Yes.

The Minister for Lands: We have wiped off about £5,000,000.

Hon. C. G. LATHAM: Much of that loss has been due to the blunders of the Minister. During the time he has been Minister for Lands and Mines, the State has borrowed £7,000,000 and spent it, and much of that amount has been written off. This shows that the money was not wisely expended. The policy of the Government seems to be, "Live for to-day for to-morrow we die."

The Premier: To-morrow never comes.

Hon. C. G. LATHAM: Let us hope it will not, so far as dying is concerned. I should like to hear from the Premier the reason for taking into account two large sums of money this year that could have been credited to revenue in instalments over the last two or three years. The first amount is £83,000, which represents an accumulation of sinking fund by the Agricultural Bank over the past four years. When the Premier mentioned that amount, I thought it would be just as well in the Treasury as elsewhere, but on further consideration, I believe the building up of a sinking fund to have been a wise precaution on the part of the Bank Commissioners. There will be times when the Commissioners will experience difficulty in obtaining from clients the requisite money to meet interest and sinking fund charges due to the Treasury.

The Premier: And if the Commissioners cannot pay?

Hon. C. G. LATHAM: The amount will have to be provided by the Treasury. If, in good periods, the Commissioners are able to build up a reserve fund or sinking fund, they will have means to provide the cash for reducing their liabilities to the Treasury.

The Premier: They have never yet paid their interest bill.

Hon. C. G. LATHAM: Over £20,000 a year has been paid into this fund, and it is extraordinary that, just before an election, this large amount should be taken into revenue. Had the money to the credit of this fund been taken into revenue last year, there would have been a surplus instead of a deficit. In addition, the Premier proposes to transfer to revenue an amount of £26,000 from the workers' compensation fund. I believe that arrangements were made to hold £50,000 as a sort of reserve for the State Insurance Office. I have tried to ascertain how this large sum of money came to be available or built up as a reserve fund, in view of the fact that almost every year the State Insurance Office has shown a loss on workers' compensation business. I presume that the accumulation has been made possible only by the very high charges made for the insurance of clerical employees of the Government. The premium rate for the office staff of the Government amounts to about 20s. per cent., whereas, outside the service, insurance can be effected for about 2s. 6d. per cent. If that is so, the Government has merely been building up this reserve fund out of revenue over a number of years. Had that amount been taken into Consolidated Revenue last year, the State Grants Commission might not have recommended the payment of the sum mentioned in this morning's paper.

The Premier: Those recommendations are based on the figures for the year before last.

Hon. C. G. LATHAM: Yes, but had the Commission known that the money was accumulating in the fund, it would have been taken into consideration.

The Premier: Not on the figures of the year before last. The Commission is two years behind.

Hon. C. G. LATHAM: Then there is a prospect of receiving further consideration next year from the State Grants Commission or whatever body takes its place.

The Premier: We shall have to repay that £100,000.

Hon. C. G. LATHAM: If any sum has to be refunded, the total is reduced accordingly.

The Premier: We had to repay £44,000 that we received in advance the year before.

Hon. C. G. LATHAM: But not out of the amount made available by the Commission. Really, no refund has to be made; that is taken into account when fixing the total sum.

The Premier: No, we would have got about £615,000 this year.

Hon. C. G. LATHAM: The Premier would have got £40,000 more if that amount had not been advanced a year ago. The Premier told us that he had given us all the information that was available.

The Premier: So I did.

Hon. C. G. LATHAM: I do not like to charge the Premier with having given the information he desired, leaving members on this side of the House to reveal the rest of the information to the public. Evidently, every bit of money that the Premier can find is to be made available during the current financial year to persuade the electors in March or April next that there will be ample funds available. I may be wrong, but I anticipate that the Government has made provision to ensure that there will be full-time employment for the workers during the three months preceding the elections. As the result of careful calculations I believe the additional money will give the Government sufficient funds to grant full-time instead of part-time employment to those 6,000 men. In my opinion there was no necessity to transfer this money in view of the total receipts on revenue and loan account for last year—£13,000,000, a huge sum of money. And that is not all the money the Government received. There was, in addition, £245,000 from hospital tax, which impost has relieved the Treasury for a number of years. Road grants last year amounted to £777,000. Both those sums have been available indirectly to the Government for public works, such as road construction and the building and maintenance of hospitals.

The Minister for Health: There has not been too much building.

Hon. C. G. LATHAM: Yes; a considerable amount.

The Minister for Health: £14,000.

Hon. C. G. LATHAM: I have been awaiting information on that point from the Min-

ister for Health. I shall be able to ascertain the amount when we come to the departmental estimates. The Public Accounts have been presented only to-day. Any Leader of the Opposition is under a great disadvantage when he has to deal with the bare facts of the Estimates, without having the Auditor General's report and the Public Accounts to show how the money has been spent. As I mentioned, £13,000,000 was available to the Government last year, £4,000,000 in excess of the total of revenue and loan for 1931-32. I acknowledge that a better showing was made last year, but I must point out that nothing of a permanent nature was the result. What has the Government done to assist youth employment? Very little has been done in the way of vocational training—so far as I see, nothing whatever. The matter will be made clear when we see a statement of expenditure under that head. For youth there has been no special employment in Western Australia apart from prospecting; and that, I believe, has failed. The Minister for Mines will be able to tell us whether it has or not. Though it is not strictly a function of government to find employment for everybody, at least an Administration should frame its policy so as to encourage others to employ people in some form of industry or in other directions. The present Government seems to have no policy whatever of that nature. It recently introduced legislation to create a board which is to tell it how to develop or assist secondary industries. The Premier gave us some figures relating to employment in secondary industries, emphasising that the number of persons employed in industrial establishments had increased from 13,392 in 1931-32 to 22,712 in 1936-37. Taking into consideration the increase of population since 1932, the figures are not encouraging.

The Premier: They are not discouraging.

Hon. C. G. LATHAM: In 1929 nearly as many persons were employed in secondary industries as were employed in them last year. Apparently it cannot be claimed that a great deal has been achieved in that respect. The average annual increase from 1931-32 to 1936-37 is 1,864. It is a fairly good increase over the number of years; but last year the increase was only 438, or 22 per cent. of the average annual increase during the preceding five years. Evidently stagnation has set in there. We should give thought to this matter, and try to ascertain

the cause of it. There must be some cause. It is not that Western Australians are not as good workers as are to be found elsewhere. If there is an avenue for profitable investment here, funds will be available for secondary industries in this State. However, there is yet another cause—the high taxation here as compared with taxation in the big industrial States, New South Wales and Victoria.

The Premier: Taking into consideration all forms of taxation, New South Wales is higher.

Hon. C. G. LATHAM: The figures show taxation in New South Wales to be considerably lower. It is true that what we regard as governmental functions in Western Australia are considered as semi-governmental in other Australian States; but we have additional taxation and expenditure through local authorities. I have not seen last year's report of the State Grants Commission, but the appendices as a rule show State taxation to be highest in Queensland, South Australia being second highest and Western Australia third highest.

The Premier: And yet we are penalised.

Hon. C. G. LATHAM: No.

The Premier: Yes, we are.

Hon. C. G. LATHAM: Queensland taxation is higher still, and we receive over half a million as a disabilities grant. There was a time when the Commonwealth regarded Western Australia as being under-taxed, and said that if we increased our taxation by £400,000 a year we would be on the same level of taxation as the rest of Australia. The financial emergency tax alone has been a heavy load in this State, representing 5 per cent. on incomes of the investing public, people in receipt of over £15 per week, and of companies making over £804 per annum profit; that is, net profit as fixed by the Income Tax Assessment Act. Thus five per cent. goes in direct taxation from that source, bringing to the Treasury no less a sum than a million pounds annually. It is a sum larger than has been collected from all sources in most of the bygone years prior to the introduction of that emergency tax. When one views our high taxation one understands why it is difficult to establish secondary industries here. Moreover, the fluctuations of the basic wage have something to do with the matter. Those fluctuations do materially affect Government ex-

penditure. The Premier in his Budget speech referred to the difficulties confronting him. He is fortunate to have any amount of money and thus be enabled to overcome those difficulties.

The Premier: Oh!

Hon. C. G. LATHAM: In order to show the exact effect, I propose, if permitted, to quote from this morning's newspaper a statement made on behalf of the Commissioner of Railways by Mr. McKenna in the Arbitration Court—

Mr. McKenna submitted a statement dealing with the financial position of the department for the five years ended 30th June, 1927, and for the five years ended 30th June, 1938. For each year of the latter period, he pointed out, there had been a deficit, and the five deficits totalled £519,156. The Commissioner's annual report for 1937-38 had not yet been printed, but he expected that it would be ready before the case was finished. It might be claimed that the results for the year ended 30th June, 1938, which showed an improvement over those for the previous years, might be expected to continue. Unfortunately, that was not expected. The Commissioner had submitted a statement of estimated receipts and expenditure for 1938-39, and had budgeted for a loss of £86,000. That figure was reached by taking into account the basic wage operating on 1st July, but since then there had been a further increase operating from 30th July which was estimated to cost the department £15,580 a year. Another item that had not been included in the estimates for 1938-39 was the department's contribution to national insurance, which was expected to cost the department £30,000 a year for the first five years, after which the amount was expected to increase. From 1st January next, when the scheme would come into operation, until 30th June next, the cost to the department was calculated to be £15,000. It was believed that the deficit on railway working for 1938-39 would be £116,580.

The additional cost to the department of the basic wage increase which came into operation on 1st July was £117,800 per annum, and the further rise operating from 30th July increased the amount to £133,380, and to that must be added any further increases which the Court might grant.

That is the effect on one big department controlled by the Government. I want the Premier to understand the effect on the outside public. In fixing our basic wage we seem to be reasoning from wrong premises altogether. The present method may benefit some men, particularly the single man who boards, and who frequently does not experience a rise in his board because the increase is borne by the person who supplies

the board. Again, the man with a wife and two children, who represents the standard, benefits. However, each time there is a rise in the basic wage, the worker with a large family receives no benefit, but, on the contrary, a positive disadvantage. I am not sure that in the near future we shall not have to give consideration—assuming that we desire to increase our population, as we claim—to a scheme of child endowment at someone else's expense.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. C. G. LATHAM: I was pointing out the difficulties of the man with the big family. It may be said, of course, that the Government has no control over the increase in the basic wage, but taxation plays a very important part. The higher the taxation, the higher the cost of living, and so the basic wage is increased. One of the ways in which the Government could encourage the establishment of industries is by keeping taxation down, instead of increasing it. The increase in taxation per head of population may not appear to be very high, but the amount is greater for each unit of the population that pays taxation. Taxation has increased considerably in this State during the past two or three years. The Government received by way of revenue for the year £13,000,000, plus the large amount available from the roads agreement and the hospital fund tax. Last year, £1,023,000 was obtained from those sources, in contrast with the sum of £420,000 received in 1931-32. The Government had therefore over £14,000,000 available last year; and I am not taking into consideration the Commonwealth grant, which was taken into revenue in the ordinary way. Besides, there was additional assistance, as shown by Return No. 6, as follows:—

<i>Unemployment Relief—</i>		£
Metalliferous mining	9,800	
Forestry	25,000	
Youth employment	14,000	
Youth employment—Grant from Department of Commerce ..	1,400	
		£50,200

<i>Assistance to Industries—</i>		£
Relief to primary producers ..	58,432	
Fruit-growers' relief	7,063	
Rural relief	300,000	

The latter amount, of course, went to reduce debts on the farms, but by reducing debts

on the farms, the farmers were enabled to make some contribution to revenue by way of interest and land rents. Comparing last year's expenditure with that of the year before, there was available to the Government last year £720,000 more than in the previous year. The Government is not short of money. It seems to have all the cash it requires to enable it to provide full-time employment, besides making provision for training youth and certain other movements that will prove beneficial in the long run. The Premier expressed the belief that our industries could look forward not only without misgiving, but with a feeling of real satisfaction. So far as I can see, the people engaged in our pastoral and agricultural industries have very little to encourage them. Wheat is 2s. per bushel less this year than it was last year at the same time. At the recent wool sales, the price was down 7½ per cent. on the price at the previous sale. From those two important industries there will certainly be a diminution of revenue, and those industries materially affect every other industry of the State. The Premier has an idea that the depressed prices of these primary products will not affect Western Australia to the same extent as they will the other States. While I admit other industries have increased a great deal in this State, particularly the dairying industry and some of the other minor primary industries, we have to depend upon certain important industries for most of our revenue. The anticipated wheat harvest is 40,000,000 bushels, but that, I am afraid, is a rather ambitious estimate at the moment. Certainly, such a harvest would bring additional revenue to the Government indirectly through railway freights, but that depends upon whether we are able to sell our wheat. In the present state of the world's markets, the great difficulty will be to dispose of our wheat. The difficulty is not so much the low price—that is bad enough—but the obtaining of markets where we can sell our wheat even at the present low price. No reduction will be made in railway freights, so if the 40,000,000 bushel wheat crop is realised, the Railway Department will get additional revenue, provided, as I have said, that we can obtain an outlet for the wheat and that it can be railed to the port.

I agree with the Premier that if we can spread our industries and so get a more balanced economy, that will be very desir-

able; but with our small population, scattered as it is, and with the difficulties we shall have of finding markets for our primary products, the prospect is not very bright. One way in which we can materially assist the farmer, and there seems to be no provision made in the Estimates for such assistance, is the extension of water supplies in the agricultural areas. The Great Southern members can speak for their own districts but one cannot help being impressed with the appalling water shortage in such towns as Narrogin and Katanning. This shortage will be a serious matter both for the Government and for the residents of those towns if we do not have rain before the end of spring. At the present time, the reserves are very low indeed. One would think that the Government, during its five years in office, would have pushed on with some agricultural water supply scheme so as to produce additional income for the man on the land. The tendency seems to be to neglect the country and develop the city. I wish the city could produce some real wealth, but that has to be won from the country districts. If we turn our attention to making the country more attractive we will be doing something worth while. That is where I consider the present Government lacks in policy. The Government seems not to be able to realise that water is one of the essentials of the agricultural industry. Stock cannot be carried without water, and I believe we still have a good market available to us for export lambs. I do not know when that market will reach saturation point, but at present every encouragement should be given to the raising of fat lambs. The pig industry also is worth fostering, because at present a reasonably good market overseas is offering for pork. That industry could be built up with very little expense and it would, of course, materially assist those producers who may have difficulty in marketing their wheat.

I notice that the Government does not propose to alter taxation this year, but that it intends to alter the method of collecting taxation. I was rather struck by the Premier's statement that the methods adopted during the last few years resulted in many inequalities. It seems to me most remarkable that the Premier should discover this just on the eve of an election. I ask the Committee what is the reason? Is it

because the Government desires to retain office?

Mr. Thorn: Yes.

Hon. C. G. LATHAM: I believe it is. There will be diminution of revenue from this source, and the Government, wisely or unwisely, said at the 30th June, "We will allow the financial emergency measure to expire and will then leave it to the incoming Government to arrange finance."

Mr. Withers: The incoming Government will not come in as soon as that.

Hon. C. G. LATHAM: So far as my knowledge goes, the present Government will not be in office after April next. I presume if the Government is defeated, it will tender its resignation in the same way as other Governments have done in the past. If one studies the Estimates carefully, the most prominent feature is that the Government is making every effort to do all things it thinks necessary because of the change of Government that will occur.

The Premier: No.

Hon. C. G. LATHAM: There is no doubt about it. Certainly the Government anticipates a change, because it is taking into revenue all the money it possibly can, thus preventing the incoming Government from having a surplus to start with.

The Premier: That is not so.

Hon. C. G. LATHAM: Yes, definitely so.

The Premier: We did not blame you because you did not leave a cash surplus.

Hon. C. G. LATHAM: The Government had a little, because while we were in office the Commonwealth Bank insisted upon our balancing each month.

Mr. Cross: How much did you owe to the storekeeper for sustenance and how much for railway uniforms?

Mr. Patrick: Tell us all about it when you get up.

Hon. C. G. LATHAM: I shall leave the member for Canning (Mr. Cross) to explain to the House all that he does not know about the matter.

The CHAIRMAN: Order!

Hon. C. G. LATHAM: That will be easy for the member for Canning. I feel convinced that the Government realises what is ahead of it, and, whilst still in office, is making the best of the position. The incoming Government, I believe, will find the Treasury desperately empty when it assumes office. What is extraordinary is that all

these things should be done just before an election.

The Premier: No.

Hon. C. G. LATHAM: This inequality of taxation has been in existence for five years, but the gentlemen at present in office find it necessary to make the alteration just previous to an election. The financial emergency tax measure will be discontinued as from the 30th June next.

The Premier: No. You are taking an irresponsible view of the position.

Hon. C. G. LATHAM: I do not think it irresponsible. The Government will cast its difficulties upon the incoming Government. I may be wrong, but to me it seems that many of these things are good election sops. A superannuation measure is to be brought forward. If the public servants are entitled to superannuation, the necessity for it has not arisen just now. The necessity has existed for a very long time. As a matter of fact, I have always argued that when the pensions rights were taken away from public servants in 1904, some other provision should have been made for them. Nothing has been done over all these years. I presume that at the end of this period it will be a matter of words and nothing else.

Mr. Styants: Your Government brought about compulsory retirement of civil servants at 65.

Hon. C. G. LATHAM: If the hon. member will read the Public Service Act he will find the provision there. Our Government had nothing to do with it. We never amended the Public Service Act.

Mr. Styants: Your Government brought in a compulsory retiring age of 65 years for all Government employees.

Mr. Patrick: Your Government carried it on.

Hon. C. G. LATHAM: The retiring age has obtained for years, and the Government of the day—whichever it was—long before we were in power, said there should be no differentiation between the salaried man and the wages man. That has obtained ever since. Our Government was not responsible any more than was any other Government. As I said before, these questions are really good election bait. They might appeal to the people, but I think a great deal more than that will be required if the present Government is to be returned to power.

The Minister for Mines: Why do you worry so much about it?

Hon. C. G. LATHAM: I am not worrying about it; I am explaining the position to members so that they may become acquainted with it. Why should we allow these matters to pass without comment when we have the opportunity to express ourselves on them? We have been told that the taxation collections this year will total £2,672,000, or £77,000 in excess of those of last year. The total last year was £2,595,000. This year's receipts will be only £598,000 below the total collections during the three years we were in office. The Government therefore cannot blame the people for not giving it sufficient funds. I repeat that the receipts this year will be only £598,000 below the total taxation collections of the Government that was in power between 1930 and 1933. It is estimated that the financial emergency tax will yield £1,100,000. When I first spoke I referred to the necessity for the Government looking after the funds that it has available. The Government has a lot of money available and should expend it wisely. During the current year arrangements will have to be made for a loan conversion of £70,000,000. That is a large sum of money. It is all very well for the Minister for Mines to laugh.

The Minister for Mines: I was thinking that I would like to have it.

Hon. C. G. LATHAM: If we are obliged to go on to the market for loan funds we need not feel disappointed to find they are not available. That a good deal of that loan will be converted is true, but some new money will have to be found. I shall be surprised if that is not so. The Government cannot expect to receive too much loan money this year. I believe some arrangements have been made with the Commonwealth Bank to find some loan funds during the year, but even the bank may have some difficulty in carrying out the tentative arrangements that have been made. If we again become involved in a world war—and the position according to to-night's paper is not encouraging—I do not know what will be the future of Australia in that respect unless we can find a new way of securing finance.

Mr. Hegney: I hope you are not guided by to-night's paper.

Hon. C. G. LATHAM: I do not know that I am guided by to-night's paper altogether, but it is not encouraging to read any paper or to listen to the wireless talks broadcast in English from Berlin.

The Estimates are very similar to those we have before us every year. I have often pointed out that a good deal of money is involved over which we have very little control. The control of money has been transferred by Act of Parliament from time to time until we have very little authority left. The Public Service Commissioner, the Education Board, and the Arbitration Court all have a great deal more say than Parliament, so that there is very little to consider as far as the Estimates are concerned. I do hope serious consideration will be given to the proper control of the finances during the year, because irrespective of whether the Government does vacate the Treasury bench I am anxious that we should not revert to the position in which we found ourselves in 1930. While it seems that always when there is international conflict money is found from some source or other, I am not too satisfied that we shall be able to get all the money we may require in this State during the next year or two. On that account, I hope the Government will be very careful with its expenditure, and will ensure that we do not revert to a period of depression such as we had from 1930 onwards. If such a depression does occur, I hope I shall not be one compelled to make myself unpopular by attempting to adjust matters.

Mr. Cross: There is no danger of that.

Hon. C. G. LATHAM: It is a certainty that the member for Canning (Mr. Cross) will not be available to this House after the next election.

Mr. Cross: That is your idea.

Hon. C. G. LATHAM: I understand that those Nationalist friends of his that are subscribing to his party funds in order to keep him in power, have decided to get a representative of their own.

The Minister for Mines: Fancy letting him down like that!

Hon. C. G. LATHAM: I intend to deal with one or two small items when the Estimates are being considered in detail. I do not desire to say any more on the general debate, because I am anxious that the Premier should have an opportunity to attend

the Loan Council meeting. For that reason I hope the general discussion will be completed by Thursday night to enable him to attend the conference, which on this occasion I believe will be very important.

The Premier: It will be.

Hon. C. G. LATHAM: We on this side of the House desire to provide every opportunity for the Government of the day to be represented at the meeting. In conclusion, I repeat that the Estimates suggest to me that the Government expects an early change. It expects to change sides with us, and on account of that the Estimates have been submitted in a new form.

MR. NEEDHAM (Perth) [7.54]: One of the fears of the Leader of the Opposition is that something will happen to the incoming Government, whichever Government that might be. He suggests that the incoming Government will find itself with an empty Treasury. I assure the Leader of the Opposition that the incoming Government will be the Government that is occupying the Treasury bench to-day, and that it will be returned with increased strength. If the Leader of the Opposition has an idea that he will be transferred from that side of the House to this, he should abandon it. Whatever chance might have existed of his taking a seat on the Treasury bench after the next appeal to the people, was dispelled by the speech he delivered this afternoon, in which he attempted to criticise the Government for its administration during the year 1936-37. The Budget speech is primarily a review of the financial activities of the State during a past period and a survey of activities contemplated in the coming financial year. I do not suppose that to the man in the street the maze of figures generally contained in the Budget speech matters very much. Neither is he greatly concerned about the money that has been expended during the year that has gone. He is, however, definitely concerned as to what is to be done with the money he is asked to pay in the year that lies ahead, and that is the most important part of the Budget Speech of any Government. The man in the street wants to know how he is going to benefit from the taxation that is to be imposed upon him, and this refers particularly to that section of the community that depends entirely on a weekly wage or salary.

A pleasing feature of the Budget speech is the announcement that social security will be an important part of the Government's policy in the coming financial year. One feature of that social security policy, and not the least important, is the statement that a sum of money will be set aside to assist widowed mothers. For that purpose, according to the Budget speech, the Child Welfare Department will have its Vote increased by about £9,000. I do not think too much stress has been laid on this important feature of the Budget speech. Hon. members are doubtless well aware of the keen struggle that has to be waged by a woman when her husband dies. The breadwinner is taken away and she is left with the responsibility of rearing and educating the children. Many women in our community to-day are so placed, and they are not obtaining the financial assistance from the State that their condition demands. I therefore welcome the announcement by the Treasurer that a sum of £9,000—small though that may be—will be provided in the present financial year to help those women. It will make their lot a little easier. The better way would have been to provide for widows and orphans' pensions, but that would have proved a greater strain upon the financial resources of the State. I hope the day is not far distant when we shall have social legislation that will adequately provide for widows and orphans. I am hopeful that every assistance will be rendered in the rearing and education of children so that they may become useful and reputable citizens. Another announcement made in the Budget speech, although somewhat belated—it was referred to also by the Leader of the Opposition—is the question of superannuation for Government employees. I welcome that statement, but I would rather have heard an announcement that it was intended to make superannuation provision for all on reaching a certain age. I presume, however, that the Government can only go as far as its finances will allow. It is intended that superannuation shall apply to the State Public Service. That will be welcome news to those who on reaching a certain age will be aware that some provision will be made for the evening of their lives. I intend to make a suggestion to the Government. Though I am not aware of the contents of the Bill it is intended to introduce, it will include those men who are en-

gaged in the railway service of the State to-day. I suggest that the Leader of the Government should make provision also for ex-railway men and I have in mind those who retired some years ago and whose case was investigated by a select committee of this House last year. Members will recall that the select committee inquired into the claims of a number of men who were in the railway service of the State in the years between 1871 and 1905. The select committee presented its report to the House and the recommendations made by it were upheld by the Chamber. Since that time negotiations have been going on with the Government. There has been submitted by the Government a list of the names of those men who were employed in the railway service during the years to which I have referred, but I shall not deal any further with that phase of the matter since it is subjudice. There is just the danger, however, that after all the negotiations are concluded that the men already retired from the railway service—there are not many of them, and as far as I can learn not as many as the Government thought there were—in the final analysis will not have provision made for them. They have reached an age now when they cannot remain much longer on this vale of tears. It would at least be an act of grace to see that those men were included in the Superannuation Bill the Government contemplates bringing down. I also welcome the announcement in the Budget speech of the Government's intention to give greater assistance to widows. Taxation, of course, is the essence of the Budget speech and in that regard we were advised that certain alterations would be made at the beginning of the next financial year. We were told that there would be a kind of combination of income tax and financial emergency tax. I believe that as a result of that combination the incidence of taxation will be considerably altered, with the result that the man on the lower rung of the income ladder will be relieved to some extent of the burden he carries, and that the burden will be more equitably distributed, and placed on the shoulders of those better able to bear it. That is welcome news, but I should have liked to see the Government go a little further. The present financial emergency legislation terminates on the 31st December next. The new form of taxation, outlined in the Budget speech, will come into operation on

the 1st July, 1939. I should have preferred to see some provision made for relief being given to those men on the lower rung for the intervening months between the 31st December next and the 30th June, 1939. It may be that difficulty will be experienced in evolving a scheme by which the gap might be bridged, but I do not think the difficulty insuperable if the Government made up its mind to relieve those on the lower rung of the burden they will carry during the six months to which I have referred. I suggest that the Government, even at this stage, late though it may be, should give further consideration to the taxation proposals, so that the relief to which I have referred might be given. I understand it is the intention of the Government also to deal with workers' homes. That, too, is welcome news. We had before us the other day a Bill to provide for fair rents. The measure has gone to another place and its fate is in the lap of the gods.

Mr. Marshall: It has gone to the political abattoirs.

Mr. NEEDHAM: A fair rent is inseparable from the all-important question of housing. The announcement that the Government contemplates dealing with the question of providing homes for the people by further amending the Workers' Homes Act is welcome news. The need for having our people properly and economically housed, as well as properly fed and clothed, is of paramount importance. How many people are living to-day in an environment that is detrimental to them and consequently detrimental to the community? Despite the fact that we are living in a democratic country, and that we have progressive legislation, our conditions where housing is concerned are far from being perfect. We hear a lot about juvenile delinquency. If children are brought up under conditions where the best system of housing does not obtain, and where the environment is not all that it should be, we must expect that delinquency. Environment has a great deal to do with social disorder and the disobedience of the laws, the rebellion against the laws, and particularly is that a great factor in the case of juveniles. It is true that many juveniles appear before our Children's Courts, but if those children had been brought up in better surroundings, I am certain they would not have been called upon to answer charges that are made against them. I am not saying that youthful

depravity is any greater in this State than it is in any other part of the world, nor do I think there is more nowadays than when I was a young man.

Mr. Marshall: That is so.

Mr. NEEDHAM: We should have much less trouble concerning our boys and girls, and fewer cases would come before the Children's Court, if better housing conditions were provided throughout the State. May I say that Mr. Schroeder, the present magistrate of the Children's Court, is continuing to do magnificent work in the treatment of juvenile offenders? In areas where the housing conditions are not of the best, the rate of infant mortality is unduly high. That is an important factor. Juvenile delinquency is bad, but a high infant mortality rate is even worse. A native population is the best population of the State. We ought, therefore, to make sure that the housing conditions are such that will tend to lower the death rate amongst infants. The Government should provide the greatest possible opportunity for people to become home purchasers. During the debate on the Fair Rents Bill a discussion ensued as to the causes of high rents. One argument was that we had a class of landlords here that was guilty of charging extortionate rents. I believe that that type of individual is rare in this State, but the fact that he exists at all is sufficient to suggest that everything possible should be done to prevent the further exploitation of tenants. The shortage of houses is another factor responsible for the present position. Rentals were cheaper years ago than they are to-day. It may be said that whilst rentals were cheaper then, wages were also lower.

Mr. Warner: There is no doubt about that.

Mr. NEEDHAM: The price of materials was also lower. Whilst I admit these two points, I contend that rents in the years when wages were lower and materials were cheaper, took a smaller proportion of the weekly wages than rents do to-day, owing to the higher cost of living. Rent is an important factor to the man who depends upon his weekly wage. In many instances he has to work at least two days a week to be sure of paying his rent. So it is that the rent plays a bigger part in the life of the worker than it did years ago. The Government should, therefore, make every effort to provide cheaper and better homes, and place

within the reach of every worker the opportunity to become the owner of his own house. I wish to make a comparison between motor cars and houses. I assure members there is some relationship between the two. It is much easier to-day for a man with £100 to buy a £600 motor car than it would be for him, with the same capital to buy a £600 house. Strange though it be, it is a fact. We know, of course, that mortar and stone, or bricks and mortar, represent a better security than does a motor car. The value of a motor car depreciates 10 per cent. per annum from the day it goes on the road, whereas bricks and mortar represent a better security and better value than does a motor car. I am not deprecating the usefulness of motor cars. A few years ago such a vehicle was considered a luxury. To-day it is regarded as a necessity in the great majority of instances. A worker can pay rent all his life and never own the house in which he lives. He is often compelled to pay rent, not from choice but from stern necessity. The economic pressure compels him to do so. He can pay rent all his life and never have a home of his own. On the other hand, the rent he has to pay to his landlord or landlords, because he may have to move about in pursuit of employment so that he may provide for his dependants, would go a long way towards the purchase of a home. If at the start he pays a little by way of deposit, as time goes on and he continues to pay his instalments, he is at least establishing an equity in the house he hopes some day to own. The Government should pay greater attention to this important question of housing. I take it as a sign of good faith that the Government contemplates going into the question of workers' homes, and that it realises the necessity for helping the worker to become his own home-owner. I had intended to deal with other subjects, but will defer any remarks on those matters until we reach the different Votes. I congratulate the Government on bringing down certain measures for social improvement, and hope they will be the forerunners of other useful measures of the kind.

MR. NORTH (Claremont) [8.25]: I regret the absence to-night of the Leader and Deputy Leader of the party. In any remarks I have to make I shall not be speaking in a party sense. Indeed, I intend to deal with only one particular subject.

The time has come for the electors of Claremont to receive some credit for their action of a few years ago, in view of the events that have occurred since. Several nights ago we heard a discussion about the great advantage of a balanced production in Western Australia. It was said that we could no longer depend upon our overseas trade for expansion, that in view of low prices, and for other reasons, we had to face a new economic situation and develop our secondary industries. With this object in view, the Minister for Employment recently brought down a Bill. Whilst it is true that during the last two or three years there has been a gradual change-over from the idea of having all our eggs in one basket, with export as our chief occupation, those districts which many years ago urged this very course, before one-third of the group settlement money had been spent in the South-West, should receive some consideration and credit. I wish to read a couple of sentences from my first manifesto to the people of my electorate in 1924.

Mr. Raphael: Do not inflict that upon us.

Mr. NORTH: The extract is as follows:—

This is the age of cheap power. The whole world is in quest of it. Cheap power is the key to closer settlement, better wages, increased production, new secondary industries, greater wealth, improved railway services, shorter hours, useful careers for our boys and girls, an ever-increasing market for our primary industries, cleaner towns, happier homes, brighter farms, busier factories and, last but not least, a sure foundation on which to build up a white Australia. Cheap power needs plenty of low-grade coal. We have it at Collie. We also have copper, felspar (aluminium), iron and many other requisites in our very midst. Think of the effect which the introduction of cheap power will have upon our industries, population and wealth.

Even in 1924 in Claremont we spoke of the need for a cheap power scheme from Collie to Perth, and for the South-West. Of course, anyone can advocate such things, but very few did so. The general idea for many years was, exports and farms. Now that world events are forcing a change of outlook, apart from lower prices, we have the uncertain state of our foreign markets in Europe, we have the menace of invasion, perhaps, of our own shores, and it is being forced home to us as essential that we should populate this State in a way we could not populate it purely by farming. Whilst that is true, we have to realise

there are other drawbacks to be faced before we can reach that goal. Apart from our being able to develop a cheap power scheme, we shall have to face the action of the Eastern States in killing our manufacturers at the start. How are we going to deal with that? There is a Bill before the House that will be debated soon, so I will not touch upon that point. The member for Nedlands (Hon. N. Keenan) has made various suggestions. I do not think he has recently mentioned this particular one, but it is worthy of note. He suggested that a large fund should be created, something like that which was established for the Agricultural Bank, and set aside to assist industries that are established, when the pressure comes from the Eastern States. When dumping occurred from the Eastern States, the trust fund could be administered by the Government to enable struggling local industries to carry on and meet the competition. To me that seems a very good suggestion, and I trust it will receive further consideration later on. Even if we were to establish a cheap power scheme and provided all the necessary facilities for secondary industries, we would still be confronted with the dangers arising from the dumping of goods from the Eastern States. It may be asked where the necessary funds can be procured. The fact remains that we are always able to raise funds to meet the requirements of agricultural interests. Now there seems to be a generally-accepted idea that there must be a change-over from pure exports to balanced production. In those circumstances we must consider ways and means of preventing Eastern States competition from crushing our industries at an early stage. The people of the South-West have been amply justified in advocating the inauguration of the Collie power scheme, and I claim that the Claremont electorate was the first in the metropolitan area to support that move in the interests of balanced production. The time has now arrived when consideration given to the recommendation by the member for Nedlands will be worth while. Unless we take action along those lines within the next ten years, there will be a very poor future ahead of Western Australia.

MR. MARSHALL (Murehison) [8.32]: I desire to make some general observations on the financial position, leaving parochial

matters for attention when the departmental Estimates are before us. Just how long it will take the people to realise our real position, it is difficult to say. The Budget presented to Parliament is a mere statement of receipts and expenditure, and it furnishes no information whatever as to whether the State has anything but a national debt to hand on to posterity. No private business could possibly be controlled under similar conditions. No auditor would think of dealing with the affairs of a private firm or industry under similar conditions. The first thing he would require would be a balance sheet enabling him to ascertain the true financial position of the company. On the other hand, all that members of Parliament have placed before them is a statement showing how much money the Government hopes to receive and the manner in which it is proposed to spend that money. Members are left to decide whether they will consent to so much money being received by the Government and whether the Government will be allowed to spend it in certain directions. That is all we can do, provided we receive the Estimates early enough to afford us that opportunity. Really, the whole thing amounts to a waste of valuable time. After the expenditure of so many millions spread over many years, have we nothing to hand on to posterity but an indebtedness of £209 per head, to be carried on for all time, while in the meantime we are expected to produce sufficient wealth to stabilise that national debt by means of interest payments? Apparently that is all we can hand on to our children. We have no assets or anything of value that we can pass on to them. Under the old method adopted by Parliament, which is the highest tribunal in the land, and the most powerful, handling as it does the largest sum of money dealt with in the State, we are merely permitted to receive a statement of receipts and expenditure. We do not know whether we have one asset of any value at all. The Leader of the Opposition quite frankly confessed that the present Government, bearing in mind the amount of money at its disposal, had carried out a remarkably good job. That must be so, because throughout his contribution to the debate he did not offer any serious criticism of the Government's financial administration. He had no logical argument to advance against the methods

the Government had adopted. In the circumstances, the Government may feel proud of itself. The Leader of the Opposition mentioned water supplies for farming areas. Which Government expended large sums in providing water supplies and water conservation schemes in the interests of farmers? The Labour Government is the only Administration that has legislated along those lines. In the period from 1930 to 1933 the legislation passed by the Government then in power dealt mostly with moratoriums and restrictions against creditors. The parties now in Opposition can boast of no legislation placed on the statute-book in the interests of farmers. All such legislation has been enacted by Labour Governments from time to time. Nevertheless, each successive Government has failed to observe the fact that we cannot continue much longer along the lines followed for so many years past. If the Leader of the Opposition peruses the Estimates he will see that during the present financial year the Government has to find £5,218,420 for interest alone. In other words, half the funds that the Government will collect in direct taxation and in charges for services rendered will have to be expended under that one heading.

Hon. C. G. Latham: That is an exaggeration.

Mr. MARSHALL: It is not. Those figures are taken from the Estimates. If the hon. member will take the amount of interest payable in London and add that to the amount payable in Australia, he will find that for 1938-39 nearly £5,250,000 has to be paid away in interest. If the Leader of the Opposition looks up the Year Book he will find that the Commonwealth has to pay away 10s. 9d. out of every £1 collected to meet interest charges.

Hon. C. G. Latham: The exact amount is £3,321,062.

Mr. MARSHALL: That is the amount payable in Australia. That has to be added to the amount to be paid in London, and shows my statement to be correct.

The Premier: That is not so.

Mr. MARSHALL: Then again, another huge amount has to be found for the payment of what I regard as barefaced robbery. I refer to exchange, which is simply a matter of bank manipulation. For exchange alone, the Government will have to provide £475,000. Where does the Leader

of the Opposition suppose we can find the mythical markets of which he spoke?

Hon. C. G. Latham: I said the difficulty was to find markets.

Mr. MARSHALL: Of course it is, and that difficulty has been growing with each succeeding year. At one time Australia was greatly favoured by manufacturers in foreign countries, but now the Commonwealth is building up its own industries, and so the foreign countries are denied that market. All we have done is what practically every other country has done. In consequence, we cannot expect to secure markets abroad.

Mr. Patrick: Australia is not a bad market even now. She is importing more than ever before.

Mr. MARSHALL: That may be so.

Mr. Patrick: Look at the Customs receipts.

Mr. MARSHALL: We often have a favourable trade balance, but in the final analysis we merely exchange goods for goods. If in one year we import more than we export, then our creditors abroad will naturally require increased payments, and for that purpose we are required to export sufficient to enable the indebtedness to be liquidated. Over a period of years we merely import as much as we export. We do not provide the people abroad with too much credit and they in turn reciprocate. It is useless complaining about foreigners not taking our goods, because we are all the time endeavouring to prevent foreigners from disposing of their goods within the Commonwealth. In those circumstances, we must look elsewhere for a return for our production. We cannot depend upon foreign markets. For as long as I can remember, Ministers, particularly in the Federal arena, have been going abroad looking for markets.

Mr. Needham: And coming back without them.

Mr. MARSHALL: Yes, but bringing with them remarkably long and complete expenses accounts, which the taxpayers have to pay.

Hon. C. G. Latham: You should not give such State secrets away.

Mr. MARSHALL: The hon. member's contribution to the debate was not very enlightening.

Hon. C. G. Latham: And yours is very inaccurate.

Mr. MARSHALL: The Leader of the Opposition cries out for markets abroad and yet we have thousands of hungry people at the door of Parliament House.

Hon. C. G. Latham: Why does not your Government feed them?

Hon. P. D. Ferguson: At any rate, I do not believe it.

Mr. MARSHALL: There are thousands ready to eat more, to wear more and to do more. All are anxious to foster production, but the cost of commodities has to be considered. The Government should ask to have returned to it the sovereign right to control credits. The time is not far distant when the whole system must inevitably collapse.

Year by year we continue to borrow credit that belongs to the public and is issued primarily upon the possibility of producing goods. Those credits are issued by private individuals. That is the sovereign right of the State. People outside assume that we retain that right. We do not. This Government merely administers the affairs of State and gives effect to its policy so far as is humanly possible, having regard to the restrictions imposed by high finance. And the Government cannot go one step further. The whole world is suffering in the same way. A wise man once said that finance was government and government was finance. As we do not control the financing of the country or of industry, we cannot possibly govern the country. We are not permitted to do so. The living standard of people in this country is dictated by those who have control of credit and of money. There is no Government in the Commonwealth possessing that control. Private individuals exercise it.

Mr. North: Did we ever have it?

Mr. MARSHALL: No. They have usurped the sovereign rights to manufacture money and credit, to issue and control it, and, as Mr. Reginald McKenna said, those who own and control money control the destinies of a country. If it is true that finance is government, we have no sovereign rights.

The national debt of Western Australia varies only in a small degree from that of the Commonwealth or that of any other country. The whole world is gradually drifting into debt to the money monopoly. Each

and every Government the world over, so far as I can ascertain, finds the greatest difficulty to raise sufficient money by taxation to produce the requisite interest, sinking fund and exchange to keep the national debt stable. Never was a greater ramp put over society. There is not a pound of currency that goes into circulation that is not a debt against the nation. Yet, under a system of that sort, we hope some time, somehow and by some means to get out of our responsibilities. We can never do it. When we consider how gradually but surely the national debt is increasing and, side by side with it, the interest burden, we shall begin to realise where our troubles begin. That is the cause of almost all our ills, and until we tackle the problem the Leader of the Opposition will find it useless to complain about the Government. The money monopoly draws no distinctions, but is the reins of government. I once read of a Jewish boy who, while playing with his schoolmates, heard another boy say that England was going to rule the world. The Jewish boy hastened home to tell his father, but the father was not concerned. "Vot does it matter so long as we own it," was the father's reply. That is our position. It does not matter who rules the world; money owns it.

We are taxing the people to their fullest capacity, and about one-half of what the Government obtains by way of taxation has to be paid out in interest on borrowed money. And that burden is constantly increasing. It is of no use any Government's trying to shirk its responsibility. The problem must be tackled. We must insist that the State shall enjoy its sovereign rights. Those who have taken away from the State the power to control and issue credit must hand that power back to the Government that it may be free to control the destinies of the country. If each and every individual is to be obliged to work, what is hindering us? All we have to do is to forbid, as has been done in America in recent years, the use of anything scientific that displaces labour. Then we could set out to reduce the capacity of individuals to work—reduce the size of the shovel, reduce the size of a truck, reduce everything, and thus bring everybody into work. That would be the right method to adopt. If science is going to be a curse to us, the sooner we get away from it the better, but if we accept science as a bless-

ing, we cannot use it to advantage until we are able to get money debt free.

Shortly the Loan Estimates will be placed before us. When members peruse the schedule they will find that every penny of that money is destined to be expended on public institutions and public necessities. Although that money is to be expended purely in the interests of the public, every penny will be borrowed from a private corporation or institution. What do we borrow? Credit. On what is the credit issued? On the capacity of the country to produce and consume commodities. So the public representatives borrow public property from a private individual to be spent in the interests of the public, and give a guarantee one day to repay the amount in full and meanwhile pay the interest on it. How long can we continue to do that? A few years ago, before the burden became so heavy and while there were still fresh avenues of taxation to exploit, we could manage. But the burden is becoming impossible. No matter where we go, we find people struggling to exist. Bankruptcies are more numerous than ever; industries are swallowing each other; everywhere is manifested a desire to economise, to reduce administration costs. Yet, in these circumstances, we hope to bring about a state of prosperity. This cannot be done. Until we regain sovereignty for the State to control credit and issue money debt free, more particularly when the money is required for the public benefit, we cannot hope to enjoy any real prosperity.

The Leader of the Opposition referred to the depression of 1930. Does he believe that there is not another depression upon us? I am not speaking exclusively of Western Australia. No depression visits Western Australia alone. We are not so unruly or naughty as to be inflicted with depression while other States prosper. Depression is a world-wide phenomenon. Under the present monetary system a period of inflation occurs until the amount of credits issued reaches the limit recognised by orthodox banking practice, and then follows a depression. The banks call up their overdrafts and loans. The amount of money in circulation shrinks and depression is inevitable. The Leader of the Opposition need only look back on what has happened. The depression of 1930 was one instance, but that was not the first depression that had been experienced. These depressions recur every few

years, and they are inevitable under the existing system. I have no doubt whatever that we are on the threshold of another depression. Stocks in America and in Europe have been tumbling, and those falls must be reflected in this State very shortly.

When the depression of 1930 occurred the branch banks in Western Australia made no secret of the fact that they had plenty of money and that there was no necessity to call up overdrafts and loans, but they were under instructions from head office to take that action. The institutions here are mere branches. The policy is dictated by the banks of England and of the United States of America. The Central Reserve Bank of the United States and the large banks of England direct the financial policy of the world, and when they call a halt to the issuing of credits, depression follows. If we do not appreciate those facts, it will be idle to complain of our position. If we applied to our private affairs the State system of borrowing and spending and promising to repay, how long would we last? No time. The country cannot afford to continue along those lines.

This country's capacity to produce material wealth is unlimited, but production is restricted by the amount of money available. Banks control the supply of money, and therefore they are responsible for the restriction of production. Why should we have poverty in our midst when this country is capable of producing three, four or five times more than is required to provide every man, woman and child with full and plenty of all the good things of life? Simply because money is not available. Money was made by man to serve him, and it has enslaved him. In this age man can fly, travel beneath the surface of the sea, and do a million and one other things that years ago would have been regarded as miracles, but he cannot make money expand or equate with production. Man who created the medium of money to serve him is dying of starvation in the midst of full and plenty. Upon our production, monetary interests issue credit, having stolen that right from the Government. Until we tackle the cause of the trouble, we cannot hope to overcome our difficulties. The taxpayers are being asked further to reduce their purchasing power in order to provide interest to pay for credit obtained from private individuals when those credits really belong to the people.

So long as we tolerate that state of things, so long shall we find Budgets of this kind, starvation, primary producers looking for markets which exist here at their doors. However, people have no money. Money is so scarce that we dare not touch it. Never mention monetary reform! Reform anything, but not money. Man made money, and now he is a slave to money. It is pitiful to walk about the streets and see mothers and children that are neither well fed nor well clothed. The member for Subiaco (Mrs. Cardell-Oliver) continually cries out for free milk for school children; but the Government has no money! Certain individuals, because of the desire to retain the power they have taken from the crowd, will let the community starve rather than that they themselves should submit to reform. It is the Government's duty to reform the monetary system. How irksome it is to sit here listening to criticisms levelled at the Government because it has not spent two shillings here or three shillings there, as though the country was impoverished and could not produce wealth! The true position is that we can produce abundance of wealth. We can multiply the absolute necessities of life a thousand times over. Yet we see multitudes going hungry. Until we tackle the root cause of our troubles, we must tolerate budgets such as this. I assure the Leader of the Opposition that if he is ever Treasurer, then provided he will tackle the cause of our troubles I shall always gladly support him, if only for the sake of humanity. Statistics show that even infants, tiny children, are ill-fed; and about 40 per cent. of our young men could not pass the military standard. Committees of investigation tell us every day that mal-nutrition is horribly common in this country. And that is all for the want of money! If the Opposition really believes in this system, it has no right to criticise the Government.

Mr. Thorn: Are you trying to twist it on us?

Mr. MARSHALL: I said "if." "If" is a conjunction. I will explain the matter to the hon. member.

Mr. Thorn: All right. I will take your word.

Mr. MARSHALL: I am sorry that I cannot reciprocate.

Mr. Thorn: You do not mean that!

Mr. MARSHALL: It is irksome to listen to talk about markets abroad while our

own people are in absolute want. True, the Government have done much for the unemployed; but how many thousands does the Government never cater for at all? They live in crowded homes, most of them share each other's clothes, and many of them are ill-fed; and still we want markets. Let us not leave Western Australia in need.

Mr. North: What system do you advocate?

Mr. MARSHALL: For a start I would advocate changes in the monetary system. The sovereign rights of a country should vest in the Crown, not in private persons. We have the Commonwealth Bank, which is a delusion, put up to us as the people's bank, a national bank, but controlled by a board of private bankers and investors. As if they would do anything to injure the privilege of private banks to profit materially, even at the sacrifice of the community's health. Matters affecting my electorate I shall deal with when the relevant departments are reached.

Vote put and passed.

This concluded the general debate.

Votes—Legislative Assembly, £2,946; Joint House Committee, £4,550; Joint Printing Committee, £5,289; Joint Library Committee, £265—agreed to.

Vote—Premier's Department, £19,180:

Item, State Gardens Board, £2,500.

Mr. MARSHALL: Here is an amount of £2,500 to be granted to the State Gardens Board for maintenance and improvements of public gardens, foreshores, Crawley, etc. Who constitute the State Gardens Board? What are the board's real functions? How frequently does the board meet? So large an amount should not be passed without our knowing that care is exercised in its expenditure.

The PREMIER: This item has appeared on the Estimates for several years. The State Gardens Board does excellent work. It is under the Lands Department. The Secretary to the Premier's Department is a member of the board, and I think Mr. Morris, formerly Under Secretary for Lands, is also a member. The work done by the board will be apparent to the hon. member if he looks around the city. Maintenance of the Government Gardens, for instance, comes out of this grant; and so does the maintenance of camping facilities at

Dalkeith and all along the foreshore, and maintenance of the National Park.

Mr. Marshall: Does the board control Yanchep?

The PREMIER: Yes, and the Zoological Gardens. All Government domains not vested in local authorities are under the State Gardens Board.

Mr. Marshall: In whom is the Yanchep Hotel vested, and who controls the hotel?

The PREMIER: The State Gardens Board.

Mr. Marshall: Who financed the State Gardens Board for the erection of the hotel, which must have cost at least £15,000? What profit is the hotel making? If the board is short of money, how did it manage to finance the hotel?

The PREMIER: The money for the erection of the hotel was borrowed on the security of the State Gardens Board, and of course on the security of the hotel itself. Interest and sinking fund on the amount borrowed have been met by the Government out of revenues received by it from the State Gardens Board. The hotel is run commercially, and so are a kiosk, a refreshment room, tennis courts, camps, the caves, and parking areas at Yanchep. The Government is not committed in respect of the hotel. Does the hon. member want to know the name of the person who lent the money?

Mr. Marshall: No.

The PREMIER: Does the hon. member think the Government has provided the money?

Mr. Marshall: No.

The PREMIER: The State Gardens Board has been able to meet its obligations from the revenues of its many activities at Yanchep.

Mr. Thorn: Are the accounts audited?

The PREMIER: Yes; by Haines and Co.

Mr. Warner: Is any balance sheet ever submitted?

The PREMIER: Yes, every year. The State Gardens Board is controlled by an Act of Parliament.

Mr. Marshall: Which Act?

The PREMIER: The Parks and Reserves Act. I know how the board is financed, and exactly what is happening.

Mr. MARSHALL: This Committee should take a serious view of the subject. I have nothing against the State Gardens

Board, the personnel of which was unknown to me until this evening. I understand now that it comprises two men—Mr. Morris and the Secretary to the Premier's Department. Parliament should have submitted to it an audited balance sheet, and should know what the revenue of the board is. I know the board makes charges; it imposes a toll at the new dam, and for admission to Yanchep.

The Premier: The revenue of the board is £18,000.

Mr. MARSHALL: The interest payable by the board would amount to a big sum. I know the Treasurer is far too busy to worry about the State Gardens Board, although he would acquaint himself with what the board has done during past years. The sum of £18,000 is not a great deal of revenue when one takes into consideration the number of gardens and places of recreation under the board's control. Parliament is asked to grant £2,500 to a board of the composition of which I was not aware. I now know it consists of two members, of whom one is Mr. Morris, lately Under Secretary for Lands, whose health has been such that he could not possibly attend board meetings. That reduces the board to one member. Parliament should know the real position of the board and should be supplied with a balance sheet.

Mr. NEEDHAM: I have no fault to find with the activities of the State Gardens Board, which I think is doing excellent work that will prove of benefit to the State. I support the request of the member for Murchison for a detailed statement of the board's activities. We certainly should have some account of the board's finances. I would inquire from the Premier by whom the accounts of the board are audited. Are they audited by the Auditor-General?

The Premier: No.

Mr. NEEDHAM: I think the Auditor General should audit the accounts of the board.

The PREMIER: We have several boards; the King's Park Board, the Karrakatta Cemetery Board, the Fremantle Harbour Trust—

Hon. C. G. Latham: The Karrakatta Board has its own revenue.

The PREMIER: All the Government does is to give the State Gardens Board a grant. The properties controlled by the

State Gardens Board are a magnificent asset.

Mr. Marshall: At one time the State Gardens Board had under its control the gardens of Parliament House, but the House Committee soon took control of them again.

The PREMIER: Probably it was more economical for the House Committee to do so. The grant of £2,500 to the State Gardens Board is used in the maintenance of the Stirling and Supreme Court gardens, the Crawley recreation reserve, which is used by children for swimming and other purposes, Point Walter, National Park, Yanchep Park, Canning Weir Dam, East Perth Cemetery, Dalkeith Reserve, Nornalup, Serpentine, the Mint grounds, the Library grounds, the Perth Hospital grounds, and grounds of other public buildings. These are kept if not in a state of beauty, at least in reasonable order. The other activities of the board are financed from revenue which it receives.

Hon. C. G. Latham: Does the board attend to the Perth Hospital grounds?

The PREMIER: Yes.

Mr. Raphael: Is it keeping a crayfish stall?

The PREMIER: The hon. member has been endeavouring to secure the removal of the hoardings from the eastern end of the Esplanade, and a satisfactory arrangement has been made for that purpose.

Mr. Raphael: At a price.

The PREMIER: At a price—a reasonable price, too. What has been done to the foreshore of the river by the State Gardens Board at a comparatively small cost is a wonderful achievement.

Mr. Raphael: You give the council some land. They spend money on it, and Mr. Shapecott comes along and stops the completion of the work.

The PREMIER: Everything is being finalised. The assets created by the State Gardens Board reflect the greatest credit upon those responsible for the administration of it during the past eight or ten years.

Mr. Raphael: Only Mr. Shapecott could have done that!

The PREMIER: Constant improvements are proceeding at very little expense to the Government. The board's operations are managed economically.

Mr. Warner: The member for Murchison wishes to know the exact financial position of the board.

The PREMIER: The amount on the Estimates is the amount directly contributed by the Government for the upkeep of the gardens I have mentioned. The revenue of the board itself is £18,000, which is collected from various sources. All that money is spent in the upkeep and improvement of the gardens.

Mr. Raphael: He certainly does a good job.

The PREMIER: I do not know who "he" is. The board does a good job.

The CHAIRMAN: Order! I ask the member for Victoria Park to keep order.

The PREMIER: Yanchep is one of the main tourist attractions of the metropolitan area. If a private entertainment company were promoted to take over that property, we should certainly get at least £50,000 for it. That magnificent asset has been created and maintained partly out of the grant of £2,500 per annum made by the Government.

Mr. Raphael: Does the £18,000 include the takings from the new hotel at Yanchep?

The PREMIER: That is the figure I have given.

Mr. Marshall: The hotel might be run at a loss.

Mr. Doney: From what source other than Yanchep does the board's revenue accrue?

The PREMIER: From the caves, hire of boats, Stirling Institute, bathing sheds, entrance and parking fees, tennis courts, etc. What was formerly termed "White City" has now been converted into tennis courts. The property at the foot of William-street will be let at a rental and that rental will be expended by the State Gardens Board in improving public property.

Mr. Raphael: The rental is £1,000 a year.

The PREMIER: It will be £1,000. Does the hon. member require any further information?

Mr. Raphael: Does the State Gardens Board give preference to unionists?

The PREMIER: Yes.

Mr. MARSHALL: My complaint is not about what the board is doing. I wanted to know the names of the members of the board. I do not know now of whom the board consists, except the Secretary to the Premier. I feel confident that Mr. Morris does not attend meetings of the board, so apparently the Secretary to the Premier is the State

Gardens Board. I am not complaining of the grant of £2,500 to the board, but I think Parliament should be supplied with an audited financial statement of the affairs of the board. The State receives thousands of pounds a year from the Lotteries Commission by way of revenue. That commission is compelled to furnish an audited report to Parliament each year.

Hon. C. G. Latham: That commission is handling the public's money.

Mr. MARSHALL: It handles the money of only a section of the people. The only way I can ascertain whether we are getting value is by the presentation to this House of a balance sheet audited by our own auditor. I want to discover what other money comes in, and where it comes from. If one did not obtain the information from other people, one would not know that there was a charge for admission to Yanchep, Canning Weir and National Park. As we contribute a fairly large sum of money to the maintenance of those places, we are entitled to an audited balance sheet. We do not know whether that hotel has been a wise investment. It may be a burden on the State Gardens Board. I remind members that Yanchep is a long way out. What I fear is that we may be contributing £2,500 not for the beautification of our gardens but for the maintenance of a blunder. That hotel should have been a State Hotel. It should be State property and controlled by the State.

The Premier: It does belong to the State.

Mr. MARSHALL: I do not know whether it does. The Treasurer has told me that it is vested in the board.

The Premier: Yes.

Mr. MARSHALL: That board does not submit a balance sheet. Therefore how can the hotel belong to the State?

The Premier: It does.

Mr. MARSHALL: Then we should have a balance sheet.

The Premier: We do not get a balance sheet for the State hotels.

Hon. C. G. Latham: There is a balance sheet for the State hotels.

The Premier: Not for each of the various hotels.

Mr. MARSHALL: I do not think a balance sheet is received by the Government. We obtain a statement of revenue and expenditure but that is all we get. The Government should be more exact in the framing of information for Parliament. If the House

has no objection to this asset being handed to one man, I have no more to say. I have protested, and that is all I can do.

Vote put and passed.

Votes—Governor's Establishment, £2,500; Executive Council, £5—agreed to.

Vote—London Agency, £11,540:

Item, Agent General, £2,000.

Mr. HEGNEY: Has consideration been given to the making of a fresh appointment, and does the Government consider it necessary for such further appointment to be made? This question was brought prominently to notice as a result of a discussion in London arising out of a slight directed towards representatives of the States at public functions in that city. I consider the office is one that could very well cease to exist. The Agent General has nothing to do with the raising of public funds outside of Australia. The only other function he might have to carry out would possibly be in connection with marketing; but we all know that marketing depends upon the purchasing power in the world, and the position of this State on overseas markets is very difficult indeed. Thus the activities of the Agent General in this direction must be considerably limited. The estimated expenditure on this agency is £11,540 and in view of the suggestion of the Leader of the Opposition earlier to-night that we should curtail expenditure, the Government could very well give consideration to abolishing the office. I understand the term of the present Agent General has expired. Evidently there are no applications for the position to-day, and we should cut out the office.

Mr. LAMBERT: A number of members would like to have some information on this subject. We know that the term of office of Sir Hal Colebatch has been extended from time to time but I do not know the reason why. I do know that the money spent on this agency is altogether out of proportion to the usefulness of the office. The Agent General receives £2,000 a year. The secretary receives £459 and on the Estimates £722 is provided for him in 1938-39. Typists and attendant are to receive £1,261 and under the heading of cables, postage, telephones, stationery and so on—

The CHAIRMAN: We are dealing with Item 1. The hon. member may refer to Esti-

mates only down to "Adjustments from previous years."

Mr. RAPHAEL: It was my intention to move that this Vote be struck out. My opinion, like that of the member for Middle Swan, is that the time is long overdue for the Labour Government now in office to give consideration to the appointment of a Labour man to the position of Agent General. Criticism has been levelled at the Government, not only by members of this Chamber, but by those of another place and a member representing the East Province has called for all the papers relative to the appointment of a certain officer.

The CHAIRMAN: Order! That has no thing to do with the Agent-General.

Mr. RAPHAEL: A man has been allowed to continue in the office of Agent-General although he holds political opinions different from those of the Government. I raised a point of order when the Leader of the National Party was speaking, but he was allowed to digress.

The CHAIRMAN: Order! That is a reflection on the Chair.

Mr. RAPHAEL: No, it is not.

The CHAIRMAN: The hon. member will confine his remarks to Item No. 1, or he will resume his seat.

Mr. RAPHAEL: If what I said was a reflection on the Chair, I withdraw the remark. The present occupant of the office has been allowed to continue although he has always been a political opponent of the Labour Party. I would like the Government to appoint a Labour man to the position. When Opposition members are in power, they always see to it that their supporters receive any plums that are available.

Mr. McLarty: Who appointed Mr. Angwin?

Mr. RAPHAEL: When he stood for election on the last occasion, it was not as a Labour man. He stood as an independent at a municipal election.

The Premier: The Labour Government appointed Mr. Angwin.

Mr. Lambert: The Mitchell Government re-appointed him.

The Premier: No.

Mr. RAPHAEL: I make no bones about it. A Labour Government is in power and is accused of doing all sorts of things. If it is to be accused in that way, it should go full out and appoint its supporters to any vacancies that occur.

Hon. C. G. Latham: Now we know what to expect.

Mr. RAPHAEL: The Government should have taken the bull by the horns and appointed someone in Sir Hal Colebatch's place, someone with the Labour taint attaching to him.

Hon. C. G. Latham: It is a taint, is it?

Mr. Sampson: That is a confession.

Mr. RAPHAEL: I hope the Government will take early action. We have been challenged on every occasion by the Leader of the Opposition with regard to Mr. Dunphy, and his appointment has also been challenged in the Council.

The CHAIRMAN: Order! The hon. member may not discuss Mr. Dunphy's appointment on this item.

Mr. RAPHAEL: Perhaps not, but I have got my point in.

Mr. STYANTS: Will the Premier explain the increase in the payment to the Secretary to the Agent-General, which shows an increase from £459 to £722 and also the decrease for the indent officer from £610 for 1937-38 to £170 for the current financial year.

The PREMIER: The Secretary to the Agent-General, Mr. Rushton, retired two or three years ago and the indent officer, who is a very capable man and has been on the staff for 30 years—

Mr. Lambert: It is time he retired.

The PREMIER: He has retired. The indent officer carried on the secretarial duties as well as his own.

Hon. C. G. Latham: The positions have been amalgamated, have they not?

The PREMIER: Yes. If the member for Kalgoorlie adds the two items for last year and the current year, he will find there is not much difference between them.

Item, Exhibits for Savoy House, £40.

Mr. LAMBERT: The total expenditure on the London Agency for last year was £12,039. Yet the expenditure on the whole of the exhibits for Savoy House for advertising this State was £37!

Mr. Thorn: That was for window dressing.

Hon. C. G. Latham: Most of the exhibits are presented.

Mr. LAMBERT: That may be true, but nevertheless there is a lot in the contention raised by the member for Victoria Park. Unless better service is rendered the State

than it would appear we secure at Savoy House, it is time to review the position.

Mr. Needham: And to change our lodgings.

Mr. LAMBERT: I shall not say anything regarding Sir Hal Colebatch or appointments of a political nature. It was most deplorable that the member for Victoria Park should—

The Premier: Follow a rotten example.

Mr. LAMBERT: It was most deplorable that he should suggest that to important appointments should attach any political significance whatever.

Mr. Raphael: That will not worry the member for Victoria Park.

Mr. LAMBERT: It is deplorable that only £37 should have been spent on exhibits from Western Australia.

The Premier: We do not have to supply the exhibits. We get wine, leather, pearlshells, wheat and all sorts of exhibits supplied.

Mr. LAMBERT: If the Government can spend £11,500 on the upkeep of this establishment, surely it can spend £10,000 in providing exhibits.

The Premier: Why spend money on them when they are given to us?

Mr. LAMBERT: Why should the Premier go round cap-in-hand for promiscuous exhibits to be displayed at Savoy House?

The Premier: They are donated.

Mr. LAMBERT: I have never seen anybody donate anything in this country.

The Premier: A fine display of the resources of Western Australia is shown.

Mr. LAMBERT: The position at Savoy House is deplorable. The sooner a change is made there, the better it will be for the State. Possibly exhibitions can be given in some fashionable club in London.

The CHAIRMAN: The hon. member must confine his remarks to the Item before the Chair.

Mr. LAMBERT: Has Sir Hal Colebatch ever asked for exhibits to be sent to Savoy House? We have not heard very much from him on that score. Has he returned to Western Australia since he was appointed to the position in London?

The Premier: He has been here.

Mr. LAMBERT: The Agent General receives £2,000 a year. That is all right for some fashionable club in London.

The CHAIRMAN: Order!

Mr. LAMBERT: Some years ago an exhibition was held in London, but nine-tenths of our mineral exhibits were put into a cellar, and never seen.

The CHAIRMAN: Was that exhibition held at Savoy House?

Mr. LAMBERT: Yes, but the exhibits were never used. The Agent General took no interest in them.

Mr. Hegney: What proof have you of that?

Mr. LAMBERT: If the intention is to continue the office of Agent General it should be reorganised throughout. I admit the Agent General cannot be here to defend himself.

The CHAIRMAN: Will the hon. member confine his remarks to the Item? I shall not warn him again.

Mr. LAMBERT: I want to know to what extent our exhibits are being shown at Savoy House. Savoy House has been an absolute disgrace. In contradistinction to the other States of the Commonwealth and to Canada and South Africa, Western Australia is a mere cipher in the matter of publicity at Savoy House. The Leader of the Opposition owes a duty to this Committee to tell his experience of Savoy House exactly as he has told it to me. A great deal can be done for Western Australia at Savoy House. The Agency General should not be abolished. The focal point of our London Agency should be the exhibits.

The CHAIRMAN: Order! The hon. member will resume his seat. I ask members to assist me in keeping order. I do not like the hilarity that is going on.

Mr. LAMBERT: Savoy House should bring prominently before the purchasing public of Great Britain the products Western Australia has to sell. Out of some £11,000 only £37 was expended by the Government last year on purchasing exhibits for the London Agency. The Committee should take cognisance of the disparity between the two amounts. The value of the agency is linked with the exhibits. Some States have abolished their Agent General and substituted a Trade Commissioner.

Hon. C. G. LATHAM: I would not have risen but that the Committee might think I have taken the member for Yilgarn-Coolgardie into a corner and given away confidences regarding the exhibits at Savoy House. The Premier was in London last year, and is as well aware as is anyone else

of what is required at Savoy House. Many exhibits are given to the Government to be shown at Savoy House. Various exhibits will be returned to Savoy House from the Glasgow Exhibition. However, far more exhibits might be shown there. Certainly the gold exhibit is highly attractive. Mineral exhibits, it need hardly be said, cannot with advantage be changed yearly. I rose chiefly in order that the Committee might not receive an impression that I told the member for Yilgarn-Coolgardie things that I would not state on the floor of the Chamber. I hope that when an opportunity offers, this Vote will be increased.

Mr. McDONALD: The member for Yilgarn-Coolgardie very properly said that we should exercise care in criticising the administration of an officer who is not here to speak for himself. Whether the exhibits at Savoy House are adequate or inadequate may be a matter of opinion, but I have heard from English visitors that in the Agent General we have not only a man who has had a distinguished career in Western Australia, but also a man who has made his mark in London and who is outstanding amongst the Agents General there. Whilst there may be some arguments in favour of amalgamating with the Commonwealth as regards exhibits and other matters under his administration, we have in Sir Hal Colebatch a man who is most capable, and who has discharged his functions, according to information brought out here, in a highly skilful and satisfactory manner.

The PREMIER: Members know that the Government patronised the exhibition that was held at the premises of D. and W. Murray, Ltd., about 15 months ago; but the Government did not purchase any of the exhibits, which were provided by various manufacturers and by trading concerns of the State. The exhibition was successful, but the Government did not spend money on it.

Mr. Raphael: The only way to sell our products is to exhibit them.

The PREMIER: It was a very good exhibition. Exhibits are shown at the office of the Agent General in London, but none of those exhibits is purchased by the Government. They are made available by the parties interested.

Mr. Doney: Are the exhibits at Savoy House satisfactory?

The PREMIER: Yes.

Mr. Patriek: They are not too good.

The PREMIER: They are good Western Australian exhibits and well worthy of exhibition. These exhibits create considerable interest in our products, and very little money is expended on the purchase of them.

Mr. SAMPSON: Having been in Savoy House on various occasions, I feel that the criticism to-night is unjustified and unfair. The service given by the Agent General and by the staff of Savoy House is far superior to that given at Australia House.

Mr. Hegney: Did you see the exhibits at Savoy House?

Mr. SAMPSON: Yes. The Agent General informed me that exhibits representative of this State are displayed whenever an exhibition is held.

Vote put and passed.

Vote—Public Service Commissioner, £1,613:

Mr. NEEDHAM: Will the Premier inform the Committee of the intention of the Government regarding the future control of the Public Service? Some time ago the Premier stated through the Press that the Government intended to create a public service board, but we have not heard any more about it. I am not criticising or challenging the Government's action in reappointing the Public Service Commissioner; that is within the power of the Government. As to the wisdom of the action, I am not prepared at present to speak. Are the public servants to be controlled by one man, the Commissioner, or does the Government intend to appoint a board?

The PREMIER: The Press announcement stated that consideration would be given to the proposal. That consideration has been given, and if any change is to be made in the control of the Public Service the introduction of legislation will be necessary. When such legislation is before the House, all particulars will be supplied. I will not give the hon. member an assurance that the matter will be brought forward this session. It may be introduced, like many other matters on the Government programme, if sufficient time is available.

Vote put and passed.

Votes.—Government Motor Car Service, £3,795; Printing, £65,060;—agreed to.

Vote—Tourist Bureau, £6,600:

Item, Salaries, £3,550.

Mr. SAMPSON: I am pleased that an increase of £2,213 has been provided for this department, but I am convinced that it would be a business proposition to quadruple the amount. This State is most modest and unassuming. It is, indeed, dumb in respect to the beauties that exist within its borders. The department is strangled by lack of funds.

The Premier: We have nearly doubled the vote this year.

Mr. SAMPSON: I acknowledge that, but it is only a drop in the bucket. Were the amount multiplied four times, it would be a business proposition, and people would be brought to the State in large numbers.

The Premier: This is a step in the right direction. You cannot run before you walk.

Mr. SAMPSON: It would be a paying proposition immediately if more money were spent on this department and more advertising were done in the Eastern States. Tasmania, a State of great beauty, has an office here, and other States go to a lot of trouble and expense to make their attractions known. I am convinced also that if the State Shipping Service made known the possibilities that exist for sight-seeing between Fremantle and Darwin, the number of people travelling on our boats would be greatly increased. I am glad to know the Cave House is being re-built. More money, however, should be spent on advertising the State. South Australia, a comparatively unattractive State, spends a tremendous amount of money in comparison with that spent by Western Australia, and people are thus induced to visit that State. We could do the same. We could secure some of the visitors that at present go to North Queensland. I hope the increase made this year is but an earnest of greater increases in the next few years.

Vote put and passed.

Vote—Literary and Scientific Grants, £11,300:

Item, Fish and Game Society of Western Australia, £150.

Mr. McLARTY: I noticed that an amount of £150 was spent on this society last year and that the same amount is to be made available this year. That money was spent

in an endeavour to stock the fresh water streams in the South-West with trout. I am disappointed that there has not been an increased vote. A considerable amount of voluntary work is carried out in connection with the stocking of the streams.

The PREMIER: This vote was cut out not long ago. As a result of your representations the £150 was placed on the Estimates once more. You should be grateful.

Mr. McLARTY: I assure the Premier that I am grateful; but in view of the large amount of voluntary work being done, and the fact that it is so widely spread, there is justification in asking for more. Branches of the society have been established throughout the South-West—at Collie and Pemberton, in the timber areas, the hills, and the farming districts. The members travel considerable distances to attend meetings. There is not the slightest doubt that if we can establish trout in the South-West—

Mr. Doust: We have done so.

Mr. McLARTY: The establishment of trout in the South-West streams will make a tremendous difference to the tourist trade. As the member for Nelson has pointed out, it has been proved that trout will live in the streams and multiply. The expenditure of more money on this work would undoubtedly bring a return. The Vote is not bringing a direct return, but it will bring an indirect return. Nothing would be more attractive to tourists than trout fishing in the South-West; but money is required to keep hatcheries going, and members of the society have been unable to raise sufficient. Again, inspection of streams where trout have been liberated is necessary; but there is no money for an inspector. The £150 allotted is soon used. Moreover, the society was in debt when the grant was made. I again appeal to the Premier for an increased Vote.

Vote put and passed.

Vote—Treasury, £29,001—agreed to.

Vote—Audit, £15,900:

Mr. TONKIN: There is a considerable increase for the Audit Department. A rough calculation shows that it represents about 12 per cent. Looking through earlier Estimates, I find that in no previous year has there been such a large increase. The only years in which there were increases approaching the present figure were 1934-35 and 1935-36. In those years increases of

about £1,200 were shown, but for the current financial year there is an increase of £1,710 on an expenditure for last year of £14,190. No doubt there is a good reason for it, but I would like to know what that reason is.

The PREMIER: The principal reason for the increase is that the auditing of accounts of committee hospitals in country districts is now being dealt with by the Auditor General's Department. Formerly that was not done, but as the Government contributes so much towards the upkeep of those hospitals it has been necessary for the auditing to be undertaken. That has involved the appointment of additional staff.

Mr. Tonkin: Was not that done last year.

The PREMIER: No. The additional officers have been appointed this year in order to cope with the extra work. That has meant increased travelling allowances.

Vote put and passed.

Votes—Compassionate Allowances, etc., £7,631; Government Stores, £16,885; Taxation, £33,900—agreed to.

Vote—Miscellaneous Services, £643,546:

Item, Victoria Institute and Industrial School for the Blind and Braille Society, pound for pound, £2,800.

Hon. C. G. LATHAM: I would like an explanation of the £4,000 decrease in the item.

Mr. Marshall: We have now taken Division No. 22, which deals with Miscellaneous Services, but the Chairman has not called Division No. 21, which relates to the Workers' Homes Board.

The CHAIRMAN: There is no item in that division.

Mr. Marshall: But there is a Vote.

The CHAIRMAN: There is no Vote. It is a set-off.

Mr. Marshall: The division shows there is a Vote of £17,650 for the purposes of the Workers' Homes Board.

The CHAIRMAN: There is no expenditure from revenue involved.

Mr. Marshall: But the estimated expenditure is £17,650.

Mr. Sampson: An increase of £1,148.

The CHAIRMAN: There is no Vote, and there is nothing to put before the Committee.

Mr. Cross: Then how can we get any information regarding matters affecting the Workers' Homes Board?

The CHAIRMAN: The hon. member cannot get information under this Division any more than he can get information regarding the University or the Public Service Commissioner.

The Premier: It is merely a matter of administration payments carried out from revenue.

Mr. Marshall: I cannot understand the position. Here we have expenditure indicated amounting to £17,650, and it provides for salaries of officers and incidental contingencies.

The CHAIRMAN: If the hon. member will look on page 35 of the Estimates he will get all the information he requires. He will there find that the expenditure is rebated from the Workers' Homes Fund. The hon. member cannot discuss the division, because there is no item to discuss.

Mr. Marshall: It is useless being here! It makes no difference.

Hon. C. G. LATHAM: Reverting to the Vote for Miscellaneous Services, I would like some information as to the reduction in the grant for the Victoria Institute and Industrial School for the Blind and the Braille Society, on a pound for pound basis, from £6,800 to £2,800. I hope the Premier will explain the reason for the decrease, because I have yet to learn that this institution can do without so much money.

The PREMIER: The explanation is that last year the Vote was increased by £4,000 to finance the building of a workshop. The Government could not provide the additional £4,000 every year, so the subsidy has reverted to the original amount of £2,800.

Item, Subsidy for Road Transport Services, £6,300.

Hon. C. G. LATHAM: Will the Premier give the Committee any information regarding the increase of £5,520 in this Vote, which last year was £588, and this year is £6,300?

The PREMIER: During the last four or five years a wheat cartage subsidy was granted to farmers in outback districts to assist them in carting their wheat to Lake Grace, Newdegate and other centres. This year all arrangements for such cartage have been made by the Transport Board, and the decrease under the heading of the wheat cartage subsidy has been made available to the Transport Board, which has made satisfactory arrangements with contractors to do the wheat carting. That is the method now

adopted instead of financing the work by means of a direct grant from the Treasury. The arrangements entered into are very satisfactory, and the cost to the department will be less, though increased services will be rendered in the areas concerned.

Item, Grant to West Murray Road Board for foreshore and river improvements, £20.

Mr. McLARTY: Will the Premier explain what this item means?

The PREMIER: The West Murray Road Board is in charge of the foreshore and collects fees that, instead of going into revenue, are refunded to the board for administrative purposes.

Item, Adjustment in Government Stores Account, £778.

Hon. C. G. LATHAM: Does this item mean that there is a deficiency in the Government Stores accounts?

The PREMIER: No. The item refers to obsolete material, the value of which has been written off.

Vote put and passed.

Vote—Forests, £28,800—agreed to.

Progress reported.

House adjourned at 10.41 p.m.