

Legislative Assembly.

Tuesday, 7th October, 1911.

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

QUESTION—EDUCATION, CURRICULUM

Mr. NORTH asked the Minister representing the Minister for Education: 1, Has he perused the speech of Mr. Huck (President of the Teachers' Union) as reported at the end of last month in the "West Australian"? 2, Are any steps being taken with the curriculum—(a) as a result of the speech; (b) or independently?

The MINISTER FOR THE NORTH-WEST replied: 1, Yes. 2, There is no necessity, as the educational points raised are covered by the present curriculum.

PERSONAL EXPLANATION.

Hon. W. D. Johnson and "Hansard."

HON. W. D. JOHNSON (Guildford-Midland) [4.33]: By way of personal explanation I wish to state that during last Thursday's sitting I became somewhat annoyed by interjections and used an expression which was both unparliamentary and offensive. I asked "Hansard" to delete the reference from its notes, and I now wish to express my regret for having offended. I regret to have to go on to say that it was distinctly understood that the reference should be deleted. I struck it out myself. I am now informed, however, that the words in question do appear in "Hansard." This I regret extremely because I did not wish them to appear at all. However, as it seems, all that can be done is to delete them from the bound volume.

HON. C. G. LATHAM (York) [4.34]: Should we be permitted to discuss this matter, Mr. Speaker, I desire to point out that if members, having made speeches in this House, are without the consent of anybody to be permitted to delete from them—

Mr. SPEAKER: Members are not permitted to delete. "Hansard" is not permitted to delete anything.

Hon. C. G. LATHAM: Very well, Sir!

BILL—PUBLIC TRUSTEE.

Report of Committee adopted.

BILL—INCOME TAX.

Second Reading.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [4.35] in moving the second reading said: This Bill is exactly the same as the corresponding Bill of last session, both in regard to wording and rates of tax. The taxation policy of the Government was set out fully when I delivered the Budget, and this is a measure designed to give effect to that policy. It is considered that the rates imposed last year will yield the desired return, and therefore no alteration has been made. Collections from this tax last year amounted to £1,874,400. The estimate for the current year is £2,040,000, representing an increase of £165,000. It is expected that on account of, I will not say the prosperity, but of the better times experienced during last year as compared with the year previous, more revenue will be received even though the rates have not been altered.

As I stated when speaking on the Budget, early last year assessments were issued because the Income Tax Act was passed early in the session. If we are to realise our estimate this year it will be necessary for this Bill to be passed as soon as possible. The rates fixed by the measure will apply to income earned during the year ended the 30th June, 1911, and also to the income of the succeeding year in respect of which assessments will be required prior to the passing of next year's taxing Bill. Assessments are required on current year's income in the following circumstances:—(a) Where the taxpayer is leaving Australia; in these circumstances the Assessment Act

requires that tax must be paid up to date of departure; (b) Where the taxpayer is leaving the State and desires to settle his taxation liability before he leaves; (c) Where a company is being wound up and the liquidator requires an early assessment; and in other circumstances. Under those conditions it will be necessary to know the rate, so that the taxpayer may be correctly taxed. The proviso inserted, on the motion of the Leader of the Opposition, in last year's Act limiting this provision to the 31st December has again been included in the present measure.

Members are well aware of the provisions of last year's measure, which were fully discussed then. I repeat, there is not the slightest alteration in the present measure. When any alteration is proposed, Parliament must necessarily give consideration to the economic effect of such alteration; but when we all understand the application and effect of a Bill of this type, and all that is sought is to carry on the same provisions during the ensuing year, there is no need to go into details. The reason for bringing down such a Bill every year is that Parliament desires to retain control of taxing measures. I have no quarrel with such retention of control of taxation, although there are some taxes which are permanent—for instance, the hospital tax, and probably henceforth the land tax. In order that members may have an opportunity either to approve or disagree with the Government's proposals, the taxation Bills are brought down each year. I move—

That the Bill be now read a second time.

HON. C. G. LATHAM (York) [4.40]:
I move—

That the debate be adjourned.

I desire to give the Premier an undertaking that we on this side of the House will complete the discussion on the Bill on Thursday.

Motion put and passed.

BILL—FIRE BRIGADES ACT AMENDMENT.

Second Reading.

THE MINISTER FOR THE NORTH-WEST (Hon. A. A. M. Coverley—Kimberley) [4.41] in moving the second reading said: This is a very short Bill to amend

Subsection 2 of Section 41 of the Fire Brigades Act. The subsection referred to sets out the basis upon which all fire fighting expenditure of the Fire Brigades Board is made. The Act stipulates that the State Government shall contribute one quarter of the cost, insurance companies three-eighths and local authorities three-eighths. This proportion has been in vogue for the past 30 years, and the allocations have not been altered since 1909.

It will be understood that in the course of time many local authorities have made overtures to various Governments for a more equitable contributory basis and it is felt that their claims are due for some consideration, more at the present time than for some years past on account of the falling off of local government revenue through bad seasons and a multiplicity of reasons due to the war. We all know that the revenue of local governing authorities has considerably decreased in the last two years. The Government feels that some alteration is justifiable at present, particularly in view of the fact that local authorities in this State pay a much higher percentage of the total expenditure on fire brigades than do local authorities throughout the Commonwealth.

I have figures indicating the difference between the amounts paid in Western Australia and those paid in other parts of Australia. The amounts paid by local authorities in the respective States are as follows:—Western Australia, 37.5 per cent.; Victoria, 33.33 per cent.; Tasmania, 33.33 per cent.; Queensland, 28.57 per cent.; New South Wales, 25 per cent., and South Australia, 22.22 per cent. Those figures indicate that local authorities in this State pay a much higher percentage than do similar organisations elsewhere. The Bill proposes to bring our legislation into closer conformity with a similar Act in South Australia, where generally speaking conditions are somewhat similar to those of this State. It is not proposed to place a limit on the contribution from the Western Australian Government as is done by the South Australian Government. In South Australia there is a maximum contribution from the State Government of £10,000 per annum. It is not proposed to introduce a maximum contribution to the Western Australian Fire Brigades Board. If the Bill becomes law the annual expenditure of the Fire Brigades

Board will be apportioned as follows, the figures being based on the 1941-1942 estimate of £70,407.

The present contributions from the insurance companies, on a three-eighths basis, amount to £26,403 per annum. If the Bill becomes law they will be asked to pay £39,115, on a five-ninths basis. That is to say the insurance companies will pay an increase of £12,712.

On a two-ninths basis, it is proposed that the local authorities shall contribute £15,646, compared with the present contribution of £26,403 on a three-eighths basis, a decrease of £10,757.

The present contribution of the State Government on a one-fourth basis is £17,601 and it is proposed that the Government shall contribute £15,646 on a two-ninths basis, a decrease of £1,955.

It will be seen that the insurance companies have been called upon to contribute an extra £12,712. This might appear at first sight to be a large increase but it is to be remembered that the extra £12,000 will be borne by 108 concerns doing fire insurance business in this State. I do not think, therefore, the burden will be very heavy in comparison with the relief that will be afforded to local authorities. Furthermore, on account of our not limiting the State Government's contribution to £10,000, as is done in South Australia, insurance companies will be required to subscribe £4,033 less per annum than if the South Australian basis were followed in toto. According to published statistics companies dealing in fire insurance have enjoyed a fairly steady increment from that source.

Over the five years, 1936 to 1940, after allowing for claims, commission charges and other expenses, including fire brigade contributions, insurance companies have realised an annual nett result of £107,000 odd. During that period the claims paid represented a greater proportion than 30 per cent. of the revenue, that is taking the companies as a whole. It cannot be argued that we are placing too big a burden on the insurance companies doing fire brigade insurance business in this State, when we compare that with the necessity for relieving the various local governing bodies concerned. I have a great deal of information as to how the Bill will affect the local authorities. It is not my intention to present all that information, but if members repre-

senting country districts desire to know more in detail how the measure will affect all local authorities I shall be only too pleased to enlighten them. I will, however, quote a few instances to indicate the nature of the relief that this Bill will afford to local governing bodies. The particulars are as follows:—

Local Authority.	Present Basis. 3/8ths £	Proposed Basis. 2/9ths £	Decrease. £
Bassendean Road Board	180	95	85
Canning Road Board	69	41	28
Claremont Municipality	187	111	76
Fremantle Municipality	1,943	1,150	793
Albany Municipality	462	274	188
Kellerberrn Road Board	113	67	46
Leonora Road Board	57	34	23
Meekatharra Road Board	100	60	40
Moora Road Board	74	44	30
Toodyay Road Board	80	48	32
York Municipality	90	54	36

I have taken these instances at random to indicate how the local authorities generally will be affected. From the particulars already given to the House it should be apparent that the Bill is a necessary one. I have pointed out the benefits that will accrue to local authorities and the disadvantages to the insurance companies. I move—

That the Bill be now read a second time.

On motion by Mr. Warner, debate adjourned.

BILL—POTATO GROWERS LICENSING.

Second Reading.

THE MINISTER FOR AGRICULTURE (Hon. F. J. S. Wise—Gascoyne) [4.53] in moving the second reading said: This Bill provides for the licensing and registration of potato growers, for the payment of an annual license fee, and for other relative purposes, mainly the investment of the funds collected by means of the licensing fees for the benefit of the industry. The Australian Agricultural Council for many years has had before it the consideration of a measure of this kind. Other States, more particularly those where potato growing has been consistently engaged in have found it necessary for the purpose of obtaining information concerning the industry, and devising better means to assist growers with advice in times of plenty and also to obtain other necessary information of value, first to have the growers themselves registered and licensed. At the Agricultural Council meeting at which this State was represented and at which all Ministers for Agriculture

assembled in the early part of this year, it was decided that since some States had taken legislative action in this direction it would be advisable for the remaining States, which had not introduced such legislation, to give consideration to the licensing and registration of potato growers. It was left in the hands of each State to determine for itself just what should be done.

In the legislative session of last year a somewhat similar Bill to this was introduced in another place by the Hon. H. V. Piessé. The measure did not reach this Chamber. The Bill which I am now presenting to the House varies in certain particulars from that to which I have just referred. The main idea behind this measure is that the growers of potatoes of half-an-acre and upwards shall be registered as growers and shall pay on a sliding scale license fees to a fund that will be used in the interests of the industry. Many advantages will accrue to the industry and the State from such a system. Whilst the Bill does not intend in any way to interfere with or to have anything to do with marketing control, it is likely to afford an opportunity for a better rationing of production in good as well as in bad seasons. It will provide an opportunity for making available to us information concerning the quantity of potatoes likely to be marketed in any given period. At present we are quite at a loss to know what are to be the anticipations of production, and what are the possibilities for markets in this State and out of this State, because we have no means of getting the information. The Government Statistician tells us that we have 836 potato growers in this State, and that production figures are round about 25,000 or 26,000 tons of potatoes per annum. We know, on the other hand, that there are over 1,000 potato growers in the State, and that the production exceeds 30,000 tons per annum. We hope that we shall get reliable information from the registration and licensing of growers.

It is proposed that the Department of Agriculture shall handle and keep the records of growers, and shall afford them to best advice possible in anticipation of markets being available. By knowing the growers, where they are, and the acreage they are likely to plant in any one season or another, we shall find it easy to give them the best advice possible, and to suggest to them

that they vary their planting, or introduce this or that variety so that the marketing may be more regular than it is possible to make it under present conditions. This State has come into the picture in the off-seasons of the other States as a possible source of commodities of this nature, and we have been exporting large quantities of potatoes. Some four years ago we commenced exporting potatoes in this State to the other States, and since that time the trade has grown to a remarkable extent. The natural sequence of events is to have, voluntarily or statutorily, some form of stabilisation, but it has been submitted to the Government by growers that this is what they are seeking as a first step. Since the matter was considered by the Australian Agricultural Council some months ago, the Government has received from several organisations representing farmers and from members of both Houses requests that legislation of this kind should be introduced.

Members will find that provision is made that, after the expiration of a period of three months from the commencement of this measure, all growers of half-an-acre and upwards of potatoes must apply for a license and register as growers. The applications for licenses shall be made to the Under Secretary of the Department of Agriculture on the form prescribed for the purpose. There are specific ways in which the money is to be applied. Firstly it shall be paid to a committee consisting of two growers licensed under the Act and an officer of the Department of Agriculture to decide upon the manner in which it shall be spent. The Bill makes it clear that the funds shall be spent in the promotion of production, marketing, treatment and sale of potatoes in this State. The fees prescribed will be on a sliding scale; they are contained in the schedule to the Bill. In some States a flat-rate fee is charged, but the Government, in giving consideration to this matter, decided that the most equitable system would be to fix the license fee on a sliding scale according to the area.

There is very little more to add in explanation of the Bill. The measure is here at the suggestion of the Australian Agricultural Council, which is constituted of all Ministers for Agriculture. Similar legislation has been found to be practicable in those States, and they claim that it has

conferred benefits on the industry in other States. Although this is the counterpart of a Bill introduced by a private member, there are aspects that warrant Government attention and control, and the Bill is therefore submitted to the House as a Government measure. I move—

That the Bill be now read a second time.

On motion by Mr. Hill, debate adjourned.

BILLS (3)—RETURNED.

1, Distress for Rent Abolition Act Amendment.

With an amendment.

2, Government Stock Saleyards.

3, Increase of Rent (War Restrictions) Act Amendment.

With amendments.

BILL—INSPECTION OF MACHINERY ACT AMENDMENT.

Received from the Council and, on motion by Mr. Watts, read a first time.

BILL—FRANCHISE.

Second Reading.

Debate resumed from the 30th September.

MR. J. H. SMITH (Nelson) [5.6]: I welcome the Bill and will support the second reading. I consider that it is essential to give our boys who are serving overseas and in camps throughout Australia every facility to exercise the franchise at the forthcoming elections. The Bill contains some matters with which I do not agree, but they may be remedied in Committee. The feature most open to objection is the nominee system, but I believe we can overcome that difficulty. It should be possible automatically to enrol all the youths over 18 years who are serving with the forces and, by amendments made in Committee, enable the troops serving overseas and in Australia to exercise the franchise without the risk of any abuse creeping in. The Bill, in dealing with the nominee system, mentions the Premier, the Leader of the Opposition and the Leader of the National Party as nominees. I trust

that members will endeavour in Committee so to mould the measure that it will be possible to give our soldiers a vote at the coming elections.

MR. McLARTY (Murray-Wellington) [5.8]: I support the second reading and hope provision will be made for our fighting men overseas to be given the opportunity to vote. If a man has sufficient interest in his country to go away and fight for it, he should be enabled to exercise the vote. I am not at all keen on the provision for plural voting, and I doubt whether the House will agree to it. Everything possible should be done to give the men overseas an opportunity to vote, and I see no reason why there should be any insuperable difficulty. I have risen to speak for the sole reason that many members returned to Perth only this morning and found the notice paper crowded with proposed amendments. We have not had time to study those amendments and ascertain their import, and in view of that fact, I hope the Minister will not take the measure into Committee today. If he will postpone the Committee stage until next week we shall have an opportunity to consider the proposed amendments.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Kanowna—in reply) [5.10]: I was sorry to hear so much opposition to a measure that affords the only means of giving soldiers overseas an opportunity to vote. Various members on the opposite side of the House have admitted that it would not be possible to give them a vote under any other system. As a matter of fact, one speaker intimated that it would not be worth while attempting to do so. We have essayed to give them the vote, and have suggested a solution that has proved successful not merely once, but on two different occasions—in this war and during the 1914-18 war. I cannot see why members should object to the nominee system.

Hon. C. G. Latham: I told you why!

The MINISTER FOR JUSTICE: I feel there are many people in whom I would vest the power to act for me in electoral matters. When a person leaves the State he appoints an attorney to act for him, and if a man can be trusted in that capacity which, from the personal point of view, is of more importance than anything from the franchise

point of view, surely somebody could be appointed who could be trusted to act on behalf of the men who are away fighting!

Hon. N. Keenan: Do you make the franchise law a mere business?

The MINISTER FOR JUSTICE: This measure is to operate only for the duration of the war, and is designed merely for the convenience of those men who are doing their bit at the front. People appoint executors to look after their wills, but simply because this measure deals with matters affecting a vote, notwithstanding that the men concerned are absent from the State in the interests of their country, members opposite say, "No, you may not appoint your father, mother, wife, brother, sister or anyone you can really trust to record a vote for you."

Mr. Berry: Or the Premier or the Leader of the Opposition or the Leader of the National Party. You are missing that point.

The MINISTER FOR JUSTICE: I am not missing it because the Government is not adamant on the point. Those names need not have appeared in the Bill; they were inserted only by way of example, and we have no objection to their being deleted.

Mr. Doney: Do those who instructed you on the Bill support your contention that those names were inserted merely by way of example?

The MINISTER FOR JUSTICE: Perhaps the hon. member is very intelligent and concludes that all other people are equally intelligent. If I have had a form to fill in and have not been conversant with the requirements, I have obtained advice on the matter.

Mr. Doney: That is not what I am referring to.

The MINISTER FOR JUSTICE: The hon. member is referring to the intelligence of the soldiers, more or less.

Mr. Doney: Nothing of the sort!

The MINISTER FOR JUSTICE: Then to what is the hon. member referring?

Mr. SPEAKER: Order!

The MINISTER FOR JUSTICE: The principles of the Bill are sound, the object being to give the soldiers a vote. If members opposite are sincere—

Hon. C. G. Latham: This Bill will not give soldiers a vote. You will be giving the vote to individuals in this State.

The MINISTER FOR JUSTICE: We will be doing nothing of the sort. That statement is ridiculous.

Mr. Doney: Do you say that soldiers will personally exercise the vote?

The MINISTER FOR JUSTICE: Of course we do!

Mr. SPEAKER: Order! The member for Williams-Narrogin will keep order.

The MINISTER FOR JUSTICE: I cannot see any harm in the provision.

Hon. C. G. Latham: You are very innocent.

The MINISTER FOR JUSTICE: Although members on the Opposition side pretend to be desirous of giving the soldiers a vote, they are not sincere.

Hon. C. G. Latham: You have no right to say that.

Mr. Stubbs: It is not fair.

Mr. SPEAKER: Order!

The MINISTER FOR JUSTICE: I would like members to be genuine and give soldiers an opportunity to exercise the franchise.

Mr. Doney: That is what we want to do.

Mr. Berry: You are telling me!

The MINISTER FOR JUSTICE: They tell the House on the one hand that it is not possible to give the soldiers a vote under the old system.

Hon. C. G. Latham: Under your system!

The MINISTER FOR JUSTICE: The Leader of the Opposition has told the House that that is not possible. He said that perhaps it would not be worth while giving the matter consideration because the soldiers would be too busy to vote.

Mr. Seward: They have too much important work to do.

The MINISTER FOR JUSTICE: I agree with the hon. member. This system will not cause trouble to the soldier, who will only have to fill in a nomination paper. Someone else will exercise the vote for him.

Hon. C. G. Latham: Let him exercise his own vote.

The MINISTER FOR JUSTICE: A similar measure was good enough for Queensland.

Hon. C. G. Latham: Ah!

The MINISTER FOR JUSTICE: On two occasions it proved successful. Why should not we give it a trial? There have not been any complaints and a reasonable percent-

age of the soldiers voted. At the last election, I believe, 30 per cent. recorded their vote.

Mr. Doney: How many went to the Premier and how many to others on a percentage basis?

The MINISTER FOR JUSTICE: I do not know, nor does it concern me at all.

Several members interjected.

Mr. SPEAKER: Order!

The MINISTER FOR JUSTICE: The nomination system will be expeditious and we shall get our results here, because those willing to vote will know all about the candidates, their names and history. Our soldiers in Canada, England and elsewhere, wherever our units may be, will not have that information. Again, under this system a soldier who is a prisoner of war will, provided he has signed a nomination paper, have a vote. He will not be disfranchised. I cannot understand the objections to the Bill. It is simple and under it the soldier will have very little trouble in doing what we wish him to do, exercise his vote.

Mr. Doney: You want something more than simplicity in this Bill!

Mr. Warner: If he is dead, he has still got a vote!

The MINISTER FOR JUSTICE: Under this system the expense will not be heavy. From inquiries I have made I find that the cost of posting the rolls alone would amount to £2,500.

Hon. C. G. Latham: Why consider expense when you are anxious to give the soldiers a vote?

The MINISTER FOR JUSTICE: That is only by the way. The Commonwealth system would prove to be just as costly to the State as it is to the Commonwealth, because Western Australians are in units all over the world. It would be just as necessary for us to send a ballot box to a particular part as it would be for the Commonwealth to do so. Much has been said about plural voting. There will be no plural voting.

Hon. C. G. Latham: I beg your pardon!

The MINISTER FOR JUSTICE: There will be no plural voting.

Hon. C. G. Latham: Then I would like to know what this will be. e

The MINISTER FOR JUSTICE: Plural voting is where more than one vote is cast for one candidate. For example, a person might have four votes for a candidate for the Legislative Council. Here the vote will be cast for one candidate only. The Labour Party does not stand for plural voting.

Hon. C. G. Latham: According to this Bill, it must be plural voting.

The MINISTER FOR JUSTICE: It is not.

The Minister for Mines: The Leader of the Opposition knows it is not.

Hon. C. G. Latham: The Minister for Mines knows very well that the Premier is likely to get 100 votes.

Mr. SPEAKER: Order!

The MINISTER FOR JUSTICE: If he did, he would exercise the votes for one candidate. I cannot understand the objections to the Bill. The Government might not oppose one or two minor amendments, but to alter the system would be to fall down on our job and say that we introduced the Bill without sincerity and did not care whether the soldiers at the front got a vote or not. It was also said that there was some sort of a pig in the wood pile.

Opposition members: Oh!

The Minister for Labour: You mean a nigger in the wood pile.

The MINISTER FOR JUSTICE: There is no such thing. Our one desire and one motive are to give a vote to the soldiers fighting our battles in foreign lands.

Mr. SPEAKER: As an absolute majority is required to pass this Bill, I shall divide the House.

House divided.

Mr. SPEAKER: I have counted the House and assured myself that there is an absolute majority of members present. I declare the question duly passed.

Question thus passed.

Bill read a second time.

In Committee.

Mr. Marshall in the Chair; the Minister for Justice in charge of the Bill.

Clauses 1 to 3—agreed to.

Mr. McLARTY: I move—
That progress be reported.

Motion put and negatived.

Clause 4—Definitions:

Hon. N. KEENAN: I move an amendment—

That after the definition of "Enlistment and enlisted" the following definitions be inserted:—

"A.I.F." means the second Australian Imperial Force enlisted for service overseas and any female enlisted to serve with same in any capacity.

"R.A.A.F." means the Royal Australian Air Force enlisted for service overseas and any female enlisted to serve with same in any capacity.

"R.A.N." means the Royal Australian Navy and includes the Royal Australian Naval Reserve and the Royal Australian Naval Volunteer Reserve whilst serving on any warship of the Royal Australian Navy.

I propose to distinguish between those forces which have been raised for the purpose of going overseas and carrying on military, air and naval operations wherever it may be necessary to do so, and what are known as the Home Defence Forces which are in an entirely different position for the purpose of exercising their franchise. Members will note that my amendment includes any female who has been enlisted to serve in any capacity, whether as a nurse or whether to conduct social forms of recreation for the troops to keep them from being unduly depressed by the monotony of the service. No matter in what capacity a female serves she will be covered by the words "in any capacity." I am afraid I shall not be in order in explaining my other amendments, but it is necessary for me to move this amendment first so that I may accomplish what I desire to do.

The MINISTER FOR JUSTICE: I cannot accept the amendment, which really would alter the scheme of the Bill. I said on the second reading that I was not prepared to accept a material alteration. The definitions set out in the Bill are sufficient. The draftsman has gone into the matter and I have had advice on it. I have also been in touch with the Electoral Department, which considers the definitions satisfactory. That being so, why alter them? We introduced the Bill, and consider it is the only way in which to give the soldiers a vote. The definition in the original Bill is quite sufficient. The sections of the Commonwealth Defence Act of 1930, 1931 and 1932A very clearly define the position.

Hon. N. Keenan: Not of the forces overseas.

The MINISTER FOR JUSTICE: I cannot agree to the amendment.

Hon. N. KEENAN: I am sorry the Minister adopts this attitude. His Bill, on the face of it, does not deal with the Navy.

The Minister for Justice: Yes.

Hon. N. KEENAN: Where?

The Minister for Justice: In the Commonwealth Defence Act definitions.

Hon. N. KEENAN: It is not the Navy as constituted with the R.A.N.V.R. and other branches, the initials for which were given to me by the member for South Fremantle. This Bill seeks to create a special privilege for those going overseas, and there must be a definition corresponding with the intention. We are not dealing with the forces as a whole. We are dealing, particularly, with the A.I.F., R.A.A.F. and R.A.N., and giving the defence forces the opportunity, simple and limited in character, to vote, when in camp, for whatever electorate they resided in prior to being called up—"Called up," not enlisting, which the Minister does not seem even to have grasped.

The Minister for Justice: My advice is—

Hon. N. KEENAN: The Minister is advised! If one thing irritates me more than anything else it is a person telling me he "has been advised," and that he is not stating his own reasons.

The CHAIRMAN: Order! I will not allow this noise.

Hon. N. KEENAN: Is it the Minister's attitude that because someone else has told him to say something he says it?

The CHAIRMAN: The Minister will have the opportunity to make his own statements in his own way. The interjections must cease.

Hon. N. KEENAN: This Bill is not meant to confer any special privilege on all the forces, and not for one moment is it meant to confer a special privilege not only on the A.I.F. but also on the R.A.A.F.

The Minister for Justice: And the R.A.N.

Hon. N. KEENAN: It is also meant to confer a privilege in regard to those serving in the Australian Navy, or Western Australians in the English Navy. A Western Australian on an English battleship would have the right to vote. We have just now been told—"by my adviser."

The Minister for Justice: I am not a lawyer.

Hon. N. KEENAN: If the Bill is to be hacked through Parliament that will be the end of it.

The CHAIRMAN: We are not dealing with the Bill, but only with the amendment.

Hon. N. KEENAN: This portion is essential to the rest. I wish to make other provision, especially for the A.I.F., but I cannot do so if it is not defined.

The Minister for Justice: You mean to Clause 6?

The CHAIRMAN: The hon. member must not discuss Clause 6.

Hon. N. KEENAN: In explaining matters we meet with a difficulty because of our rules and orders. I cannot carry out the intention expressed clearly in another portion of my amendments unless this definition is agreed to. I hope the Committee will insist on it.

The MINISTER FOR JUSTICE: The hon. member gets very annoyed at times, but I have my advice from a legal man, who should know the position. I have been told definitely that the definition is sufficiently wide to cope with all that is necessary in the Bill. The idea of the amendment is to alter the whole scheme of the Bill. I am not here to alter the scheme respecting the nomination system, but am prepared to accept amendments subjects to the majority of this Committee.

Hon. N. Keenan: You have no choice.

The MINISTER FOR JUSTICE: The new definition of a member of the defence forces includes any member of the defence forces, and females enlisted in the defence forces as therein stated. A member of the defence forces under the Commonwealth Defence Act includes the Navy, Army and Air Forces, and also Militia and Citizen Forces. The definition as it now stands is as wide as it could possibly be. They are the words of the draftsman.

Mr. Hughes: Why did he put in the Air Force Act if it is included in the Defence Act?

The Minister for Mines: That is a special Act.

The CHAIRMAN: I must ask members to maintain order. This interjecting and cross-firing must cease. Only one amendment is before the Chair, and that is all that will be discussed.

The MINISTER FOR JUSTICE: If it were any advantage to the Bill I would be only too willing to accept the amendment, but from what I can see and learn it has no other purpose than to alter the scheme of the Bill generally.

Mr. McDONALD: Putting aside the question of how far the definition includes the words "Australian Navy" and "Australian Air Force," it is clear it would not cover Australians serving in the Royal Air Force, nor possibly those serving in the Royal Navy, nor members of the Royal Navy Volunteer Reserve. A certain number of Australians are serving in the Royal Air Force, not only in England or the British Isles, but also in the Middle East. The Minister might consider whether he should enlarge his definition, at all events, to include Australians serving in the Royal Air Force and the Royal Navy.

The MINISTER FOR JUSTICE: The member for West Perth has a number of amendments to the Bill and he did not think it necessary to move an amendment to the definition before putting his amendments on the notice paper. This must be an afterthought.

Mr. McDonald: The member for Nedlands has covered that.

Progress reported.

ANNUAL ESTIMATES, 1941-42.

In Committee of Supply.

Debate resumed from the 2nd October on the Treasurer's financial statement and on the Annual Estimates, Mr. Withers in the Chair.

Vote—Legislative Council, £1,710.

MR. TONKIN (North-East Fremantle) [5.41]: The Premier, in his Budget speech, said that this year the State would be subjected to severe restrictions in the expenditure of loan money. That is no new experience. So far as I can see there has been severe restriction of the expenditure of the loan money for years, and that has not been confined to loan money. There has been a severe restriction in the expenditure of revenue. It has been extremely difficult to get additional stores for schools; extremely difficult to have playgrounds gravelled, and

extra rooms added to the schools. We know of numerous instances of overcrowding in schools; and also where children have been denied entirely the right to obtain instruction which should be theirs. I have been wondering if we will ever reach the stage in this State when it will be possible to provide what is required.

If we are to be subjected to severe restrictions in the expenditure of loan money, and also of revenue, nothing will ever be done. Because the Premier made that statement, I gave some study to the financial position of the State to see whether there was any likelihood of our ever being in a different position. I have ascertained some outstanding facts in connection with our position. The loan liability of Western Australia to the Commonwealth at the 30th June, 1941, was £97,791,723. Our interest bill on that loan liability for the year was £3,540,508. Since Western Australia has been known as such, it has, in various ways, raised £117,618,508. Of that sum £60,902,754 was raised in London, and £56,715,753 in Australia. The comparison is, roughly, fifty-fifty.

All the time we have been carrying on this State we have only redeemed £19,826,784 out of a total raising of £117,618,508, so that at present there are in circulation loans amounting to £97,791,723, plus contingent liability for debentures and guarantees amounting to £1,032,332. Our interest burden has reached a stage when it has become larger than our yearly borrowing on capital account. Thus we can never, at the present rate of progress, improve our position at all; and instead of looking forward to the time when we shall have money to spend on our various requirements we must be prepared to have less and less at our disposal for that purpose, unless we do something to correct the position. I examined the stock that is held against the liabilities of the State. Much of the stock has been purchased at 5 per cent. and is still carrying that rate of interest.

The Premier: Not very much.

Mr. TONKIN: A considerable proportion of the London stock is carrying 5 per cent. I can give the Premier the details if he so desires.

The Premier: The details are shown in the Public Accounts.

Mr. TONKIN: A considerable proportion carries 4 per cent. payable in Australia. Then there is a loan of £750,000 that carries 4.65 per cent.

Mr. Hughes: But the average works out at about $3\frac{1}{2}$ per cent.

Mr. TONKIN: I daresay it does.

The Premier: Or a bit more.

Mr. TONKIN: A loan of £250,000 is due this year carrying interest at the rate of 5.0375 per cent. The interest bill, even if I accept the average mentioned by the member for East Perth (Mr. Hughes), is certainly more than this State can carry. There is a further amount of about £5,000,000 involved in Treasury bills carrying $1\frac{1}{2}$ per cent. interest. Why cannot the Commonwealth Government utilise public credit, pay off the private bondholders and substitute public credit for their loans, charging the State at a rate of 1 per cent. or $1\frac{1}{4}$ per cent. and using the assets of the State to back the guarantee so furnished?

Mr. Hughes: Nothing at all—but the desire!

Mr. TONKIN: I do not understand why it could not be done. If that course were pursued we would immediately make it possible for some buoyancy to appear in State finance. It is the interest burden of £3,500,000 that makes the situation impossible. Our accrued revenue, including that of the State trading concerns, aggregates £11,432,067. To my mind, to get the true picture of the position, we should subtract from that total £3,766,800 attributable to public utilities, because there is the contra entry on the expenditure side of a figure that is comparable with that amount.

To secure the true picture of the actual revenue of the State, we should subtract that amount attributable to public utilities. We would thereby arrive at the State revenue that can be utilised for meeting our obligations. On the amount of £7,665,267, as I have already indicated, our interest debit is £3,540,503, or that was the figure last year, and we anticipate increasing that amount for the current financial year by £67,812 for interest and sinking fund charges. I ask members to contemplate that position. The revenue that is available is slightly more than £7,500,000, of which £3,500,000 must be devoted to meeting our interest bill. That leaves about £4,000,000 available for financing the

various requirements of the State. How on earth can we expect larger schools, more class-rooms, more stock, additional manual training schools, or more household management centres, if that is the position? The money is simply not there for such purposes. Surely we cannot continue under such conditions.

Mr. North: Do you suggest that course regarding Australian credits, or do you include British and New York credits as well?

Mr. TONKIN: I suggest that they all be dealt with in the manner I indicated.

Mr. North: That would make it much harder.

Mr. TONKIN: Let us substitute the Government as the lender for private individuals who are now drawing interest ranging from $3\frac{1}{2}$ to $5\frac{1}{2}$ per cent. We cannot possibly contemplate continuing to pay interest as at present.

Hon. W. D. Johnson: Hear, hear! The interest burden is crushing.

Mr. TONKIN: What private concern could carry on under such conditions, having to pay practically half its revenue as interest on capital outlay? The only possible way to remedy the situation is to reduce the interest bill. We cannot continue taxing the people all the time. If we continue to impose tax upon tax, we shall reach the stage at which we will reduce the amount of revenue available. That will arise from the fact that trade will be so restricted as to reduce incomes, with the result that less taxation will be received.

The higher the rate the less taxation will be available. The law of diminishing returns will apply. Thus the only way by which we can deal with the situation is by effecting a substantial reduction in the interest bill. We will never pay off our loan indebtedness at the present rate. So far we have paid off, roughly, £20,000,000 out of the £117,000,000 raised during the State's history. We have done that by borrowing money with which to repay loans as they fall due, thereby merely increasing the interest bill.

Mr. Marshall: We had a surplus last year by getting it from borrowed funds.

The Premier: Where did we borrow the surplus?

Mr. TONKIN: In these days there is a changing view regarding this problem, and there are those who advocate an alteration in our banking structure to make it possible to finance the State along lines different from those followed in the past. Naturally I welcome the change of Government in the Federal Parliament which will serve to make such a course possible.

Mr. Fox: There will be no party politics now. Do not forget that!

Mr. TONKIN: Every year we have preached the need for monetary reform. By that, we do not mean that effect should be given to the theories of mere cranks, but that there should be drastic alterations in the method of finance that has been followed down the years. That method has been to raise loans with which to repay other loans when they have fallen due. Not much brain power is needed to give recognition to the fact that a continuation of that process must eventually lead us into serious trouble. In the past I have heard the member for Nedlands (Hon. N. Keenan) draw attention to the financial position of the State and urge that we were reaching a stage at which the situation would become absolutely impossible. He has been silent on this question of late. Why that should be I do not know.

Hon. N. Keenan: Modesty!

Mr. TONKIN: If the hon. member has at this late stage developed some modesty in his attitude, I regret it, because it will deprive the State of the benefit of his considered views on this important question. I agree that we simply cannot continue endeavouring to raise money with which to pay interest on loans while the loan indebtedness itself is constantly increasing, for it means that that indebtedness is increasing at a far greater rate than Western Australia can cope with. Surely we should contemplate being able at some future time to go to the Treasurer with legitimate requests for expenditure upon work, and expect the requests to be granted.

There is something radically wrong with present-day methods if we cannot reasonably expect schools of adequate size to be provided and requisite stock supplies to be made available in our educational institutions. My experience year after year has been that because of restricted revenue or loan expenditure such requests cannot

possibly be granted. Because of this we have buildings in need of repair that cannot be renovated; additional school-rooms required but they cannot be built; playgrounds requiring improvement but the work cannot be attended to—and, as far as I can see, the necessary improvements will never be effected. Surely we can devise some method of financing these necessary State requirements. I can see no other way in which to tackle the problem than to reduce the interest burden which is far too heavy at present. That burden represents £3,500,000 annually, and is to be added to each year by about £60,000. The Leader of the Opposition made reference to the State trading concerns and devoted some time to disparaging the operations of the State Implement Works.

Hon. C. G. Latham: No, to disparaging the cost of the undertaking.

Mr. TONKIN: That amounts to the same thing.

Hon. C. G. Latham: No, it does not.

Mr. TONKIN: The member for North Perth (Mr. Abbott), who views the undertaking in a most unfavourable light, asked questions in the House as to the loss that had been incurred on the State Implement Works and wished to know if it was under the management of an officer possessing the necessary qualifications. He also sought information as to whether the lay-out for the future extensions was on right lines. I am aware that the mere mention of State trading concerns is anathema to the member for North Perth.

Any concern that is likely to enter into competition with private enterprise should, the hon. member thinks, be squashed very promptly. His antagonism to the State Implement Works does not arise from the fact that the undertaking has lost money but from the mere circumstance that it is a State trading concern. If the member for North Perth were to pursue his inquiries, he might be able to ascertain that the undertaking is today of great value to the State, despite the fact that it has lost money.

The Premier: In the past!

Mr. TONKIN: In recent months the State Implement Works has carried out some important tasks for the Navy. In fact, the Department of the Navy is very glad indeed that the works are in opera-

tion. Had that not been the position, it would have been impossible to have much of that work carried out.

Hon. N. Keenan: It could have been done at Midland Junction.

Mr. TONKIN: Not so well.

The Premier: Both works are in full swing.

Mr. TONKIN: Much of the work could not have been done at Midland Junction because the workshops there are too far away. The work that had to be undertaken had to be carried out close at hand. It was done at North Fremantle because it could be carried out more quickly and more conveniently.

The Premier: At any rate, both undertakings are operating to full capacity.

Mr. TONKIN: That is so, but certain work was carried out at North Fremantle that it would not have been advisable to undertake at Midland Junction.

The Premier: The works are carrying out many operations for the Government.

Mr. TONKIN: It is true that the works were run at a loss.

The Premier: Many years ago!

Mr. TONKIN: Why was that loss incurred? Do the Leader of the Opposition and the member for North Perth blame the workmen? Have they any fault to find with the calibre of artisans engaged at the works that they should be held responsible for the loss? Do they blame the management? Is the allegation that the State has had incompetent managers in charge of the works and that they are responsible for the losses? Or are we prepared to go more deeply into the question and see just what did occasion the losses? As nobody else is likely to do so, I crave the indulgence of the Committee while I give a little past history. When the works were first established money was fairly plentiful, and they were established in a way indicative rather of enthusiasm than of wisdom. Moreover, they were not properly laid out. The proof of that lies in the fact that when in 1931 or 1932 the Mitchell-Latham Government endeavoured to dispose of the works to H. V. McKay—

Hon. C. G. Latham: We did not attempt to do that. It was your Government.

Mr. TONKIN: Is the Leader of the Opposition sure of that?

Hon. C. G. Latham: Yes.

Mr. TONKIN: When the attempt was made to dispose of the works to H. V. McKay, that firm would have nothing to do with them, even at a sacrificial price, because the lay-out was not suitable and therefore it would not pay to run the works. There was the drawback at the very commencement.

Hon. C. G. Latham: Whose fault was that?

Mr. TONKIN: Neither the hon. member's nor mine.

Hon. C. G. Latham: I am glad to hear you say that.

Mr. TONKIN: Undoubtedly some one was at fault in not having the works suitably laid out in the first instance, but the principle of State trading cannot be blamed for that.

Hon. W. D. Johnson: It was due to incompetent management, and the man was sacked for it.

Mr. TONKIN: When the works had been established one would have expected the utmost co-operation with them from all Government departments, but that was not forthcoming. We had the experience that fairly highly-placed men in the Public Works Department and the Water Supply Department, instead of providing facilities for work to be done at North Fremantle, in many cases placed obstacles in the way of work being done there, simply because they were all opposed to State trading, although themselves were employed in the Government service. As men politically opposed to State trading they did everything possible to produce failure at the North Fremantle works, instead of encouraging them. I can give specific instances of that. Instead of receiving encouragement from the Public Works and Water Supply Departments, that State trading concern was subjected to pinprick tactics which made it impossible for work to be carried out at North Fremantle.

Hon. N. Keenan: Over what years?

Mr. TONKIN: Since the inception of the works.

Hon. N. Keenan: Over how many years?

Mr. TONKIN: I suppose, 28 years; since 1912! Over the whole period there have been instances of lack of co-operation from other Government departments because of the antagonism of highly-placed Government officials, who wished to encourage private industry to the detriment of the North Fremantle works. In numerous cases they

imposed on those works restrictions which were not imposed on outside concerns, though supplying similar material. Thus it became extremely difficult for the North Fremantle works to function satisfactorily. Successive Governments did not show the works that sympathy which ought to have been shown.

When a man is running a private business, he sacrifices machinery that is no longer economical to run. In private industry men will often go so far as to scrap a machine which has not turned a wheel, if in the meantime a new machine economically cheaper to work comes on the market. But never in my experience have I known a case where a Government department would agree to scrap a machine that had never turned a wheel, however economical the scrapping might be. Oftentimes private manufacturers find it advisable to scrap machinery which has done scarcely any work, because after the installation of that machinery their attention has been drawn to a later model much more efficient and far cheaper to run. Without more ado private manufacturers, who have provided in their accounts for repairs and replacements, will scrap such machines and write off the loss over a period against the depreciation fund account. If one wanted to scrap a machine installed in a trading concern, it would take 20 years and £1,000 would be spent in postage before permission could be obtained.

The Premier: A thousand pounds in stamps!

Mr. TONKIN: Yes, if the discussion went on for 20 years.

The Premier: Even then, not a thousand pounds in stamps. Cut it in half!

Mr. TONKIN: I will give an illustration exemplifying the position. Many years ago I took over an outback school from a teacher who possessed a good deal of originality. As the new teacher I naturally perused the correspondence on the file and ascertained the position of the stock sheets. I was astonished to find that more than 20 letters had passed between the teacher and the Education Department as to whether he ought to get an additional 25 envelopes. The teacher had run short of envelopes, and wrote to the department for an extra supply of 25. The department wrote back pointing out that he had had his supply with his stock, and therefore should not require more envelopes. He answered that he did require

more envelopes or he would not have written for them. The department asked what he wanted the envelopes for, and he replied, "To put letters in."

Mr. Seward: And that still goes on!

Mr. TONKIN: This is a concrete case. It occurred at Edjudina, and it can be verified. Eventually 25 envelopes arrived before I did, and were there for my use; otherwise there would have been no envelopes available. That is the kind of thing which does happen between Government departments, and so I say I am certain there never has been a case in the Government service where a new machine has been scrapped because it was uneconomical to run or because a more economical machine was available.

Mr. F. C. L. Smith: What about the machine at Boya quarry?

The Premier: How can the State be expected to provide a machine which is never used?

Mr. TONKIN: I disagree with the Premier, because a new machine might be required for a factory in, say, January. An order is placed. It is known that delivery cannot be made for five or six months. One goes on with the machine one has and makes preparations for the installation of the new machine. An entirely different machine comes on the market after the new machine has been ordered. One reads about this entirely new machine, which incorporates additional features about which nothing was known previously and which would revolutionise the particular branch of manufacture for which a machine is required. It would be absolutely stupid if one, having the capital available, did not instal the later machine, but instead said, "I ordered the other one beforehand and am in duty bound to instal it."

The Premier: That might happen once in 10,000 times.

Mr. TONKIN: That is so, but it might happen. I ask the Premier whether, if it happened in a Government department, permission would be given for such a new machine to be written off?

The Premier: Certainly.

Mr. TONKIN: My experience of other matters is such that I cannot agree. At the State Implement Works the manager endeavoured to get a truck replaced by a new one. He pointed out that the truck cost 1s. 7d. per mile to run, yet a new truck

was not ordered. A little calculation would be sufficient to show that if it cost 1s. 7d. a mile to run a truck, in a very short time more money would be lost than would be required to buy a new one. That was the actual position. The implement works had to keep in use a truck which had already paid for itself and was costing 1s. 7d. a mile to run. The reason for that high cost was the quantity of oil and petrol that was being consumed, and the extensive repairs that were necessary.

Mr. Sampson: That truck did not provide any profit for the implement works.

Mr. TONKIN: It provided profit, too, for the period of its life, but because it belonged to a State trading concern—

Mr. Sampson: There was a curse on it.

Mr. TONKIN: Possibly!

Mr. Abbott: And on the State trading concerns as well.

Mr. TONKIN: No. Those works are in competition with other manufacturers.

Mr. Abbott: They are not efficient.

Mr. TONKIN: They are. I will prove it.

Hon. C. G. Latham: There is plenty of time!

Mr. TONKIN: I return to the illustration I have just given the Premier. Had the Premier been in business and realised that a truck was costing so much to run he would immediately have made arrangements for its replacement. That is only a business proposition. Nevertheless, the manager of the State Implement Works had great difficulty in obtaining that replacement. He was under an additional handicap at a time when the works were already too heavily handicapped. Whilst that is the only instance of that type I can cite, I daresay similar instances could possibly be found in other State trading concerns where worn-out machinery is being used that should have been replaced long since. I know of my own experience how difficult it is to induce the Treasury to agree to write off old stock that has long passed its usefulness.

Mr. Sampson: Is not so much written off each year? Is not a percentage allowed for obsolescence?

Mr. TONKIN: The member for North Perth (Mr. Abbott) suggested that State trading concerns could not do anything well. I ask him whether he is questioning the efficiency of the workers. Does he blame the workers?

Mr. Abbott: Of course I do not!

Mr. TONKIN: There are no more efficient workers in the Commonwealth than are Western Australian workers. Our workers in the Eastern States are holding their own in factories, both private and Government, with Eastern States workers.

Mr. Boyle: They are in key positions in the Eastern States.

Mr. TONKIN: That is true. Before I conclude this subject, I shall prove that our workers at the State Implement Works are doing excellent work. That applies also to other State trading concerns. There is nothing wrong with our workers.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. TONKIN: Prior to the tea adjournment, I was addressing myself to the question of the efficiency of the workmen at the State Implement Works. It has been suggested that the works cost a large sum of money and I am endeavouring to ascertain upon whom the blame for the loss is to be laid. I made the statement that so far as I was concerned no blame was attachable to the workmen engaged because they compare more than favourably with workmen elsewhere. As I proceed, I propose to show that when called upon to do jobs, either at very short notice or over an extended period they have given excellent results and have justified themselves in every way. My complaint is that the works have not been assisted as they should have been. Men who could have found employment there at various times have been denied employment through lack of sympathy on the part of some Labour Governments and definite antagonism on the part of other Governments. When I say lack of sympathy, I refer to the fact that when money was required for additional plant or to replace worn-out plant it was not forthcoming. I can understand why!

When I commenced my remarks I outlined the financial position of the State, and spoke of how we had been living from hand to mouth for years. In those circumstances it was to be expected that Treasurers would resist applications that would be received from managers of State trading concerns for additional capital, and that when certain funds were asked for the amounts would be considerably reduced, if they were granted at all. That has been the position, and because of that the State

Implement Works have not been able to function as efficiently as they would otherwise have done. While I can only refer to lack of sympathy on the part of Labour Governments, I can speak of direct antagonism on the part of anti-Labour Governments. In 1931, so seriously did the then anti-Labour Government view the position that it instructed the State Implement Works not to tender for outside work. Consequently the Government deliberately hamstringed the works.

Hon. C. G. Latham: They were losing money by doing outside work.

Mr. TONKIN: Not by outside tendering.

Hon. C. G. Latham: Yes, they were!

Mr. TONKIN: They did not tender at a price below the cost of production.

Hon. C. G. Latham: Yes, they did!

Mr. TONKIN: But they did not! We have not had men as foolish as that in charge of the State Implement Works at North Fremantle. I will show that where they did tender they were able to get the work in open competition with outside tenders, and because of their success in that direction instructions were issued that they were not to tender for outside work.

Mr. Marshall: That is more like it!

Mr. TONKIN: So it came about that the volume of work that could be done at North Fremantle was so decreased thereby that the successful operation of the works became impossible. It is no wonder money was lost. However, from 1935-36 onwards there has been a different story to tell and the works have been able to make some contribution to interest and sinking fund as a result of their activities. I am pleased to say that the present Government, during the last few months, has seen the necessity for an extension of the works, and is doing all that is possible to provide for a large extension so that the works can do their share of the war work that must necessarily be done. The member for North Perth (Mr. Abbott) suggested there was a lack of efficiency somewhere, giving the impression that the work done at North Fremantle could not stand up against the work done by private enterprise. We will see what the story really is.

The Fremantle Harbour Trust required a number of luffing cranes—some small luffing cranes and one of 20 tons. Baheock & Wileox usually manufacture machinery of that nature but the State Implement Works

tendered for the job and they did not pirate the drawings of Babcock & Wilcox, as was once suggested in another place. They bought the drawings from Babcock & Wilcox and paid that firm its own price for the drawings. Then they made the cranes and produced them at a price that was more favourable than the prices of outside tenderers. The finished article has given every satisfaction. Later on, electric cranes were required for Bunbury. An order for those was practically booked with Kenny Bros. oversea. However, the State Implement Works undertook to do the job and did it satisfactorily at a lower price. Some Sir William Arrol cranes were required at Fremantle. The State Implement Works made them at a price lower than the imported article would have cost. A new hull was required for the dredge "Parmelia." There was talk of getting this from Morts Dock. The State Implement Works undertook the job and completed it to the satisfaction of all concerned at a price considerably lower than could have been obtained from Morts Dock.

Members will recall the occasion when bulk handling was installed at Bunbury. Jetty gantries were required in a hurry. They were ordered in August and wanted by November. The State Implement Works undertook the job and had them ready by November. Two steel launches were required in this State, one for a pilot service at Wyndham. There was a suggestion that these should be imported from New South Wales, thus keeping the workers of that State in employment instead of our own. However, those steel launches were made at Fremantle.

On a certain occasion the "Kangaroo" limped into harbour with a broken auxiliary crank shaft. It was due to clear port in three weeks. Inquiries were made and it was ascertained that a new auxiliary crank shaft could not be obtained under three months. The State Implement Works were asked if the job could be done there and, despite the fact that the works had out-of-date machinery and had to use a number of makeshifts, it was stated that, in collaboration with the Midland Junction Workshops, they could make the auxiliary crank shaft. It was made, and the "Kangaroo" was able to sail on the due date. On another occasion, shortly before the sailing of the "Kangaroo," Lloyds' inspectors said that the steel

decking needed extensive repairs. The work was undertaken by the State Implement Works and satisfactorily completed as regards workmanship and price. Recently the 'tween-decks of the "Koolinda" had to be totally renewed. It had been the previous practice to have work of that nature done in the East Indies or the Eastern States. The State Implement Works undertook the job and again completed their task satisfactorily as to workmanship and price. In that particular job approximately 50 tons of steel plates and angles were required.

Mr. Doney: Are these fair and average samples of their work?

Mr. TONKIN: Yes, of the big undertakings at North Fremantle! They are the big jobs and not the tiddley-winking ones. Most valuable work is being done from time to time now for the naval authorities. It may not be generally known, but recently the H.M.A.S. Canberra, on making a trip from the Eastern States, ran into very heavy seas in the Bight resulting in the fore part of the ship being considerably damaged. It was fortunate that we had the works at North Fremantle. They were able to repair that damage satisfactorily so far as workmanship and price were concerned. Members, somewhat older than I, will themselves remember that during the last war the works were able to do somewhat similar work for the Naval Department. When the Naval Base was under construction I think the works were a sort of maintenance depot for the base, and obviated the necessity for a special maintenance depot being established for that base.

When the works have been given an opportunity to do these jobs, whether large or small, they have completed the task satisfactorily; and not only as regards the quality of workmanship, but respecting competitive prices. It is only where difficulties have been placed in their way and they have been hampered through lack of up-to-date machines, etc., that they have not been able satisfactorily to compete with outside firms. I cannot understand the attitude of some members. This is a State asset. A lot of money was invested in the works, which were set up for a certain definite purpose.

Mr. Sampson: A lot of odd machines were bought originally.

Mr. TONKIN: They have conclusively proved that they can turn out the article in open competition because they have,

from their inception, been obliged to tender for the jobs undertaken. I realise the extension taking place now at the works is permitted by a certain section of the people because private industry has its hands full. Private engineering shops are not worrying today because they have all the war work they can manage. But when the war is over and trade becomes slack the usual clamour will be raised to conserve the engineering work for private enterprise and the men at North Fremantle will be put off and the works will revert to the position in which they were some years ago, when they had a mere skeleton staff, but could have employed hundreds of men. I want to safeguard against that possibility.

Providing we can get the men trained—and if the war continues another 12 months—it is likely that from 600 to 700 men will find full-time employment at North Fremantle. A good deal of money is being spent on extensions to the moulding shop and the carpenter's shop. Additional lathes are being installed. We do not want, as a State, to be up against the proposition that we are prepared now to invest capital to do war work because private enterprise cannot cope with it, and then when the war work is finished we will have to scrap the machines and render the works idle. I am putting up a plea for the continuance and extension of the works because, when they have been given the opportunity, they have justified their existence. I advocate a progressive policy for them. When they have obsolete machinery they should be permitted to scrap it immediately, and have it replaced with up-to-date machinery so that work can be done economically. If the works are forced into the position of losing money on whatever work they do, an additional burden is imposed on the taxpayers. I hope we will not lapse into that situation; but having seen the necessity for a large extension of the works at the present time, we will enable them to carry on at the maximum capacity when the war is over. If we do not, the plant will be rendered idle and the men employed will be turned adrift to fend for themselves.

We should not contemplate that situation, but should guard against it, and ensure that this asset makes its full contribution to the State by being given the opportunity

to do so. For members to suggest that it has lost money because it is inefficient is to suggest what is contrary to fact. The class of work turned out by the State Implement Works will bear comparison with any turned out by private enterprise. No job has been too large for it to tackle. A number of the jobs it has been called upon to do could not have been done by the private engineering shops in Western Australia. It is a good thing for us the works were not sold in 1931 or 1932, and that the Act, passed to close them, was never proclaimed. Had that been so this State would have been considerably worse off at present when these works are so badly needed. We should all be very pleased to know that the extension going on there today is possible: and that our contribution to the war effort will be so much greater as a result.

The experience we have had at North Fremantle is somewhat similar to that of other State trading concerns. Possibly the State Sawmills and State Brickworks have not suffered to the same extent as have the works at North Fremantle. The Leader of the Opposition, I think it was, made some reference to the fact that the State Brickworks had not been paying very well and should, therefore, be in very much the same category as are the State Implement Works.

Hon. C. G. Latham: Do you not suggest they should at least cover expenses?

Mr. TONKIN: I do.

Hon. C. G. Latham: That is all I suggest.

Mr. TONKIN: I cannot understand why the State Brickworks do not pay. To my knowledge there has been a definite shortage of bricks for the last two years. It has been acute in the last six to eight months. I have seen buildings erected during that period with second-hand bricks and second-class bricks because sufficient good bricks were not available. I know that jobs have been held up for considerable periods because bricks were not available. If there is such a wide market for bricks surely, if the system of costing is correct, it should be possible for the State Works not only to return interest and sinking fund but also make some contribution to past losses. If that position cannot be met, some inquiry should be made. Perhaps it is the same old explanation—lack of vision on the part of somebody.

Hon. W. D. Johnson: Possibly the shortage is in the cheaper wire-cut bricks. The State Brick Works turn out only double-pressed bricks, the more expensive finishing bricks.

Mr. TONKIN: I do not know much about the class of brick that is actually short in supplies. My knowledge is limited to the fact that there is a definite shortage which is holding up building. I know a number of dwellings, the erection of which has been held up because bricks have not been available. There is one quite close to my own home in which second-hand bricks and a very poor quality of second-class bricks were used in order to get the building finished. The people were told that otherwise it would be some time before the place could be finished. I take it that the State Brick Works have the labour and it should be possible by working at top pressure to supply this commodity; and the costing should be such that bricks may be supplied at a price to return interest and sinking fund on the money invested.

I do not advocate that State trading concerns should sally forth with the object of reaping enormous profits. That was not the object of establishing State trading concerns. The object was to keep prices down by competition, to prevent private enterprise from taking too much of a rake-off, and also to prevent any artificial scarcity of the commodity. So long as these concerns fulfil those objectives and do not lose money in the process, I consider they are fulfilling their proper function. I am as certain as I stand here that if the State Implement Works are given the sympathetic consideration they merit, and are given assistance instead of being hampered, they will be able to fulfil all the functions claimed for State trading by members on this side of the Chamber. I have drawn attention to what I fear may take place when the war is over, and I have taken this opportunity of doing so because I wish to prevent such an occurrence.

MR. J. H. SMITH (Nelson) [7.53]: I do not intend to speak at great length by wading through the Estimates, but later I will avail myself of the opportunity to speak on some of the departmental votes. What I am particularly concerned to mention at this stage is, as the member for Pingelly, the member for Nedlands and

other speakers have pointed out, the almost daily increase in taxation. This is a burden the people cannot bear. We have reached breaking point, and this constant increase must cease. The Premier has told us that taxation has not increased this year. If we peruse the Estimates, however, we find that it is increasing day by day. Only a few nights ago we were told, in answer to a question, that taxation has increased during the last 10 years from £2 to £6 per head of the population. I venture to say that by the time the present war is over—and here I remind members that the Commonwealth Government is at present launching a loan for £100,000,000—the taxation per head of the population will be £20. For generations, if not for all time, taxation seems destined to increase and we shall never be able to pay our debts.

I am not at all concerned about the change of Government in the Federal sphere. It will give the party that was in opposition a chance to show what it can do. Those members declined to co-operate in a national Government to prosecute the war to the fullest possible extent—a war that is being fought to break down Hitlerism and free the people from slavery. The Federal Labour Party would not join in forming a national Government but, assisted by the votes of independent members, that party has overthrown the Fadden Government. Let us hope that Labour will make a good job of the administration of affairs. I will give all the assistance in my power, just as I would help the State Government to carry on the affairs of the country during the present time of stress. I am satisfied that the Federal members now in opposition will be true to their word and true to their traditions and will give the Labour Government all possible assistance so long as it does its best for the winning of the war.

At the risk of offending the member for Guildford-Midland (Hon. W. D. Johnson) I shall refer to a few parochial matters. The railway service in the South-West part of the State is an absolute disgrace. This applies particularly to the section from Bunbury to Manjimup and Pemberton. Bridgetown has a daily service but, Manjimup and Pemberton, with a population greater than half of the Great Southern towns, have a train on only three days a week. The Nelson electorate has a larger area and a greater population than any

other country district; it has double and even treble the population of some of the others. Yet towns on the Great Southern have two or three passenger trains a day whereas we have only three trains a week. It is time the Government woke up and gave us a better service.

No part of the railway system pays so well as does the South-West section, due largely to the important timber trade. To long timber trains, passenger coaches are attached, and when the train starts, as the member for Mt. Magnet (Mr. Triat) explained the other night, the bumping to which passengers are subjected is very uncomfortable. I was going to say that it is ten times worse in the South-West than in the hon. member's district; at any rate it cannot be so bad up north as it is in my electorate. The journey from Bridgetown to Perth by passenger train occupies 11 hours, though the section from Bunbury to Perth is done in four hours or a little more. From Pemberton to Perth the journey occupies 13 hours. Yet the Government wonders why people use the roads and do not patronise the railways.

Mr. Seward: What are the distances?

Mr. J. H. SMITH: From Bridgetown to Perth the distance is about 170 miles and from Pemberton to Perth about 210 miles. It is disgraceful that the journey from Pemberton to Perth should occupy so long as 13 hours.

Let me now refer to the post-war rehabilitation of our soldiers. I know that the Minister for Lands is greatly impressed with the possibilities in the South-West. What I want the Government to do is to secure some better understanding and greater co-ordination between the Forests Department and the Lands Department. This is the only part of the State where we can expect to do much in the way of land settlement, and it is a conservative estimate to say that in my electorate we could put another 30,000 or 40,000 people on the land. But this cannot be done unless greater co-ordination is secured between the Forests Department and the Lands Department. The Forests Department controls not only the forest land right from the Leenwin to Albany and inland to Boyup Brook and Collie, but also the agricultural land. The whole of that area is under forestry control, and before any land may be selected, the

application has to be submitted to the Forests Department for determination as to whether it is required for forest purposes. I want more co-ordination there than obtains today.

Now as to the motions of the member for Katanning (Mr. Watts) and the member for Avon (Mr. Boyle) referring to debt adjustment! We cannot have farmers' debts adjustment at all until we make some alteration in the present system. There must be some arrangement whereby the man on the land will receive a guaranteed price for his product. It is impossible for us to be successful in primary production under the present system. The people on the land do not want to be serfs all their lives; and they will be unless they obtain guaranteed prices. Every man and every woman is worthy of his or her hire. The Arbitration Court fixes standards of living and wage standards, but not for the man on the land.

The man on the land has to take a starvation wage for whatever he produces. Our wool is sent home, and some of it is returned to us in the form of suit lengths costing 18 or 20 guineas. The Australians are a most loyal people, and they are now suffering all kinds of privations because their markets in the Old Country are being taken from them. Our best leather goes Home and is made into high class boots and shoes. I repeat, guaranteed prices for the men on the land must be established unless we are to have an endless stream of motions for adjustment and reduction of farmers' debts. The Government must be told by the farmers, "You must write down our debts. We cannot pay the interest. Unless we can have a Government guarantee of 1s. 6d. per lb. for butterfat and 1s. 6d. per lb. for wool and 4s. or 5s. per bushel for wheat, primary industry cannot be successful."

What is the use of writing off £5,000,000, or £6,000,000? Men who have settled on the land and developed it have left it broken-hearted, like their wives. Their children have had no means to obtain education. And the settlers themselves are told, "You must pay your interest or else get off the land and starve." Then those men and their families come on the Government, and the Government gives the men part-time work. To obtain this they must leave their wives and children or take them away to live in tents in 30-inch rainfall districts. There they are to starve in this free country.

It is utter hypocrisy on the part of everyone concerned. Why do not the farmers say what they intend to do? They should say, "We will strike. We will pay no more of this accursed interest." Our men are dying overseas for this country, enduring all the horrors of war, and the survivors will come back to do as our last soldiers did—go on the land and become serfs in order to pay interest. That is no good, and this Parliament must wake up to the fact that it is no good. Let me point out the hypocrisy of some people. The member for Guildford-Midland (Hon. W. D. Johnson) will not take umbrage at my recalling that last Thursday evening he spoke about starting-price betting and lotteries, and declared that the member for Subiaco (Mrs. Cardell-Oliver) and he were the only members in this Chamber endeavouring to uplift the people. He said he would not accept money from lotteries. He also spoke about starting-price bookmakers; but the hon. member himself owns and breeds racehorses, and I believe he has a bet occasionally. In fact, for all I know he may have a starting-price betting shop. Yet he maintains that these things are wrong. I maintain that they are not wrong. He says 80 per cent. of our people are either wages or salaried people. For my part I do not believe that the remaining 20 per cent. are independent. I go into a starting-price shop and I see that 50 per cent. of the people there are place betting perhaps 1s. 3d. That is the extent to which they chiefly bet. They may not spend more than 4s. or 5s. in an afternoon's betting. Thus what is called "the stupendous betting that goes on" consists mainly of wagers of 1s. 3d. and as low as 9d. or 6d. for a place.

Hon. C. G. Latham: Do you think all those fines are paid out of 1s. 3d. bets?

Mr. J. H. SMITH: I know that dozens of men are going out of the S.P. business every week, unable to carry on.

Hon. W. D. Johnson: It is a great game!

Mr. J. H. SMITH: It is not so good for many of them. Why not be sincere and legalise starting-price betting in the same way as the drink trade has been legalised? The member for Subiaco moved her motion against starting-price betting, and I moved an amendment to it but could not obtain support.

People will bet. All over Western Australia they do it. Country people cannot come to Perth for the purpose of visiting a racecourse, but residents of the metropolitan area can have a day's sport for a few shillings. My desire is that totalisators should be established wherever necessary in Western Australia. I could not secure support for that view. Still, great minds think alike; and when the president of the Western Australian Turf Club retired last year he said that starting-price betting was a conundrum to which the only solution was the establishment of totalisators throughout Western Australia. I see no harm in that proposal. My belief is that betting will go on for all time.

If I were on the magisterial bench there would be no £75 fines for starting-price bookmakers. I would fine them a bob or two! The member for Murray-Wellington (Mr. McLarty) suggests £5. At Bridgetown fines of £25 are inflicted. Why, one of those bookmakers would not hold that amount in six months! If he had not a job, he could not go on. I said to him, "Why go on with the game?" He replied, "Things might brighten up after the war." In Fremantle starting-price bookmakers are fined £5, and in Perth £75. I suggest to the member for Guildford-Midland and the member for Subiaco, and all the other reformers, that if they want to achieve a worthwhile reform they should apply their efforts where the money is being squandered today.

I know of half-a-dozen women travelling the suburbs and the country areas, calling on girls in jobs and married women and selling them dresses costing about £3 on a deposit of 6s. Sign the line on the docket! They say, "This woman has a job and is reliable," and then they sell her a dress for £3 on a deposit of 6s., the balance to be paid at the rate of 2s. or 3s. per week. They sell stockings on a deposit of 2s., the balance to be paid at 6d. per week. Other women's finery is sold in the same way, and thus we see how women all over the country dress. The 1s. 3d. S.P. bet is nothing to it! That is where the money is going.

Mr. Marshall: And in interest for credit.

Mr. J. H. SMITH: Of course interest is added. If reformers would take action in that direction perhaps they would achieve better results. Perhaps they may then be

able to take the beam out of their own eye. I shall speak later on the items, but I wanted to get back a little on the member for Guildford-Midland (Hon. W. D. Johnson).

Mr. Marshall: And the member for Subiaco.

Mr. J. H. SMITH: Not so much on the member for Subiaco. But the member for Guildford-Midland was preaching a sermon. He told us what we should do and should not do. He castigated the member for Mt. Magnet (Mr. Triat) and then proceeded deliberately to commit the same offence to a very much worse degree. He claimed to be a reformer, an uplifter of humanity!

Member: Like breeding racehorses!

Mr. J. H. SMITH: I know of people who have been breeding horses for years and have never won a race with them. It is not they who are keeping the S.P. book-makers, and therefore some other wheels must be revolving in that instance. I shall not detain the Committee longer but shall, as I intimated, deal later with items affecting my electorate.

MR. MARSHALL (Murchison) [8.12]: We have had a little variety this time on the general discussion on the Estimates. The debate has differed in some respects from previous ones. That has caused me to reflect upon what form my contribution to the debate should take. First, I desire to congratulate the member for North-East Fremantle (Mr. Tonkin) for his wonderfully good effort. It delighted me to see on the horizon a gradual but definite realisation that most of our ills are of an economic character. People are beginning to understand that it is little use complaining to the Government about the deplorable condition of the rolling stock on our railways and tramways, our schools and our waterways. That merely constitutes the shadow; we are leaving the substance entirely alone. The futility of such complaints is becoming more apparent. The defence of our State trading concerns by the member for North-East Fremantle was also an exceptionally good effort.

I suggest to the hon. member, however, that he should read the State Trading Concerns Act of 1917. He will find there some valuable information and will learn that the financial activities of those concerns

are definitely hamstrung. That was done intentionally. The figures relating to the State trading concerns, although true, are definitely misleading. No private individual could possibly conduct those concerns successfully if he had to work under such an Act. I say the Act was introduced deliberately by the then Government ostensibly to create a bad impression in the mind of the public with regard to State trading. If the Government is handling the trading concerns in so dreadfully inefficient a way, why did anyone fear State intervention?

Mr. Sampson: Because the concerns traded at a loss.

Mr. MARSHALL: Because they traded at a loss! The member for Swan (Mr. Sampson) would be a great authority on that point; he is a good authority on profit and loss, but especially profit. If the State trading concerns were run so inefficiently they could not possibly exist. This Government, to be fair and just, should at least permit the State trading concerns to operate under the same terms and conditions as private individuals enjoy. When the concerns want to repair or replace machinery the money should not be taken out of Loan Funds and added to the capital of the concerns, while all the profits go into Consolidated Revenue. No private person could make any business pay on such terms, but those are the terms under which the State trading concerns must work. Members are beginning to realise that State control is not so inefficient as has been pointed out.

Complaints are made about our railways, justly so, too; but I ask, where is the private individual or company that would take over our railway system and run it as it is run today? I venture to say that, except for the East-West railway and the metropolitan area, no person or company would consider the taking over of the system. Such people well know, as the State knows and as every member ought to know, that our railways are designed ostensibly to develop and serve the country, not to make a profit. A shrewd investor contemplating the taking over of the railways would appreciate that fact and consequently would not take control of them. Therefore, we should be fair and just. The reason is not due to inefficiency of control; it is the impossibility of show-

ing a profit when our railways are used for development purposes and to provide facilities to open up the country.

But that is not what I rose to speak upon. I desire to remind the member for North-East Fremantle, so that we may be in accord in regard to the principle of the burden of interest, that his statement was evidently taken from the speech by the Premier when introducing the Budget. He suggested that the total interest payment was £3,504,508. I complained to the Treasurer that while that is true, the way in which these Estimates are made up is positively misleading, because that sum is only a part of the burden of interest. These Estimates should give every member an opportunity to discover exactly what is the burden of interest, what it really costs the taxpayers of this country to service our debt. If we take into account all the things that become necessary to service that debt, then roughly speaking 3½ million pounds falls far short of the amount necessary. I wish to draw attention to this fact, that if we take the 3½ millions as direct interest payments—if I may refer to them as such—and then turn back to the total amount the State received by way of direct taxation, it will be found that from all those sources—land tax, income tax, financial emergency tax, dividend duty, gold mining profits tax, totalisator tax, stamp duty tax, probate duty, entertainment tax, taxes on liquor and other taxes—the Treasurer has £3,033,790, or the interest referred to by the member for North-East Fremantle (Mr. Tonkin) exceeds the total amount of revenue received by the Treasurer from those sources by £506,718, or roughly half a million pounds. All the forms of taxation imposed by the State Treasurer fall short of servicing our interest bill to the extent of half a million pounds; and that is not all.

I now draw attention to "Miscellaneous Services" on page 43 of the Estimates. These items may be passed over very quickly because they are under the heading of "miscellaneous." Item 17 is "Commission on interest paid, etc., by the Westminster Bank Ltd., the Commonwealth Banks in the Eastern States and the Commonwealth Bank in London." There is £13,595 for that purpose. That is a cost in servicing this debt. Another £25,778 is shown under item 20, "Interest and sinking fund on advances by

Commonwealth for purchase of wire netting." Item 21 is "Exchange on overseas interest, etc."

The Premier: Can you discuss items at this stage?

Mr. MARSHALL: I am not discussing them, but referring to them. I intend to give the collective amount. It will be a sad day when we cannot take the figures out of the Estimates for the purpose of finding the totals.

Mr. Hughes: It would not be possible to do so if Billy Marshall were in the Chair!

Mr. MARSHALL: Neither Billy Marshall nor anyone else can stop members getting these figures. Under item 21 there is another £503,482. Item 22 is "stamp duty on transfers of inscribed stock" and the amount is £4,680. There is another item concerning which I desire some information from the Treasurer. It is "Interest contributions" under the heading of "Commonwealth" and the amount is £473,432, or roughly another half a million.

The Premier: That is under the Financial Agreement.

Mr. MARSHALL: Of course it is! But it is all a burden to service the debt.

The Premier: The Commonwealth undertakes that.

Mr. MARSHALL: Yes, I found that out by looking up the "Year Book" and seeing what the Financial Agreement had to say about it. That is only a book entry. That £473,000 is not paid to the Treasurer. He pays the balance of the loan money over and above that, according to the statement in the Year Book.

The Premier: The balance of the interest!

Mr. MARSHALL: Yes. The publication says—

The Commonwealth will, in each year during a period of 58 years from the 1st July, 1927, contribute the sum of £7,584,912 towards the interest payable on the State debts, the States paying the balance to the Commonwealth.

It shows the amount paid to the States and our amount is that to which I just a moment ago referred. But because the Commonwealth Government pays that money, there is still a liability on the taxpayers to service the debt. That is what I want to point out.

The Premier: The Government has taken over our liability, under the Financial Agreement.

Mr. MARSHALL: I know, but that does not lessen the taxpayers' obligation.

The Premier: It is not a liability of the State.

Mr. MARSHALL: No, not of Western Australia. The Government takes a million and a quarter of profit out of the production of gold alone and £3,000,000 odd from the Customs, apart from what it gets from postal and other services rendered to the people. The taxpayers have to carry this burden. Because the Commonwealth Government pays, the Western Australian taxpayers are not relieved.

The Premier: They are!

Mr. MARSHALL: We have to remember that the State taxpayer is a Commonwealth taxpayer too. I do not want to argue that point. What I am trying to stress is that here is another half a million of money which the taxpayers of the Commonwealth—if the Treasurer likes to put it that way—must ultimately find in order to service the debt. If all those amounts are put together—and they are all liabilities on the taxpayers who service the debt; there is no getting away from that—instead of its being £3,540,508 it comes to £4,572,330, or roughly $4\frac{1}{2}$ million pounds. Deduct that from the total given by the member for North-East Fremantle and it will be seen that over 50 per cent. of the revenue of Western Australia is absorbed in interest payments. The Premier can apologise for the position. I know the Treasurer. It is not his fault. No one is blaming him, but the ghastly spectacle is presented.

Hon. C. G. Latham: That is a contribution by the Commonwealth which reduces our interest rate.

Mr. MARSHALL: I quite agree. The Leader of the Opposition must understand that I have already admitted that that is so.

Hon. C. G. Latham: You have not acknowledged the fact.

Mr. MARSHALL: I did, in the final figure, because that is the total amount the taxpayers have to find to service our State debt. It does not matter who finds it; it must be paid by someone.

Hon. C. G. Latham: You take it off the interest we are due to pay.

Mr. MARSHALL: I have tried to point out several times that I am endeavouring to ascertain what is the actual and total cost of servicing our State debt. The figure I have given represents that total cost. Never

mind who pays it! The taxpayers of Western Australia are taxpayers of the Commonwealth. To service the debt of the State of Western Australia, $4\frac{1}{2}$ million pounds is required.

Mr. McDonald: Are you adding the Commonwealth contribution?

Mr. MARSHALL: Yes.

Mr. McDonald: That is wrong.

Mr. MARSHALL: The hon. member can go the other way and say it is less than £500,000 and make it £4,000,000 from the taxpayers. But he will again mislead the people because they will believe it is £4,000,000 and it is not. The total cost of the Western Australian debt, no matter who pays it, is more than £4,500,00.

The Premier: There is the sinking fund on top of that.

Mr. MARSHALL: No, that is included according to the Premier's estimate.

The Premier: There is exchange in it.

Mr. MARSHALL: The exchange is in this. I have taken every item that has to be expended in order to service the debt. I do not understand why any Treasurer, or anybody else, should try to make out that the exchange rate on oversea interest is not a liability on the debt. It is an obligation due to the fact that the debt exists. It is no good trying to make out that the £500,000 we pay in exchange does not become a payment chargeable against us. It does! Where are all these items scattered round? One item I cannot find at all. I suppose it has been absorbed in one of our short-term loans, or something else. It is the £500,000 special loan for the unit of the East Perth Power Station. That has been swallowed up, but I suppose it is accounted for in the total.

The Treasurer said he had a surplus of £11,111. Again, that is very misleading. This Government received, by way of loan monies, £1,700,000 odd for the year, say, £1,750,000, and spent all the money it raised in that way, the money raised in direct taxation and that received by way of charges for services rendered to the community. They spent the lot, including the £1,750,000. Then we are presented with a return showing that the Government made a profit of £11,111. It has done nothing of the kind. We went back to the extent of the amount borrowed, but no mention of that is made. Imagine a private business person, borrowing £2,000,000 for the year, spending the lot, and all he had by way of income from

personal exertion, and then saying, "I have not paid back one penny of the £2,000,000 I borrowed, but on a mere statement of receipts and expenditure I show a profit of £11,000!" The member for East Perth (Mr. Hughes) as an auditor would not pass that.

Mr. Hughes: No, I would scrutinise your accounts very carefully.

Mr. MARSHALL: People really think, notwithstanding what we borrowed and what we took out of their pockets by direct taxation and charges for services, that we dealt with the State activities and showed a profit. We did nothing of the kind. We went back to the extent of over £1,700,000.

The Premier: No, the sinking fund is not included in that.

Mr. MARSHALL: It is infinitesimal. As pointed out by the member for North-East Fremantle (Mr. Tonkin) over all the years that this State has been borrowing money it has paid about £19,000,000 back. We have borrowed £90,000,000.

The Premier: £117,000,000.

Mr. MARSHALL: It is £90,000,000 by deducting the amount paid back. We have borrowed six or seven times as rapidly as we have repaid.

The Premier: We have assets to show for most of it.

Mr. MARSHALL: Where are they? They are not shown in the balance sheet. Why are these assets not used as security for money coming from the Commonwealth Bank, rather than borrow from private interests?

Hon. C. G. Latham: You have already proved that more has been borrowed against them than they are worth.

Mr. MARSHALL: When all the State and Commonwealth assets are taken into consideration, it is ridiculous. Take the national income every year, without the assets!

Hon. C. G. Latham: That is taxed pretty heavily.

Mr. MARSHALL: The point is that we look upon these figures too lightly altogether, and stress importance in the wrong directions. I do not say it is intentional, but it has always been the custom since I have been here. It should be altered and the people should know how they fare each year, not only on a statement of receipts and expenditure, but also on borrow-

ings. A faithful statement of the country's assets and liabilities should be presented here.

The Premier: They are all in this statement.

Mr. MARSHALL: They are not.

The Premier: There is the reproductive debt, the past reproductive debt, etc.

Mr. MARSHALL: They are not all here. There are items I cannot find.

Hon. C. G. Latham: You can find all you want.

Mr. MARSHALL: Even if they were here the Treasurer's obligation is to explain them more fully than he does. He simply makes a reference to the ordinary business transactions and glosses over the rest.

The Premier: When I introduced the loan expenditure I gave all the figures.

Mr. MARSHALL: That is all I rose to comment on. I propose to take the opportunity to speak on railways, schools, and possibly water supplies when the Ministers administering those departments introduce their estimates. I am not going to subscribe any longer, without bitterly protesting, to this fallacy of the Commonwealth pawning the nation's credit to private Shylocks and handing it back to the nation as a debt against itself. It is something which is really the people's and belongs to the nation. The people produce it. What do the banks produce? They produce no wheat, wool or fruit. Do they produce any wealth at all? Of course not. They produce figures to justify their right to usury—

Mr. Sampson: And heart-aches.

Mr. MARSHALL: —and the cost of the financial obligations of this country. Some references have been made to utterances of mine dealing with banks. I realise that under the present social organisation banks are an indispensable adjunct to our commercial life.

The Premier: We can do it all with a Government-owned bank.

Mr. MARSHALL: That is a matter for the Treasury. I am not interested in that at the moment. Certain members have construed my utterances to mean that I am against banks. At the moment, I am not. They are indispensable to facilitate the distribution of wealth. All my argument up to date has been along the line that, through the cheque system and through conniving, the banks have been able to gain control of the nation's credit and utilise it to their own

advantage and to the detriment of the nation. That is the only complaint I have against them. When we reach the Votes of the Education Department and the Railway Department, I shall have some references to make regarding my electorate. I do not know what the experience of other members is, but I should like the Treasurer to understand that there is room for serious complaint about the schools and the railway water supplies in my district.

MR. SAMPSON (Swan) [8.41]: The member for North-East Fremantle (Mr. Tonkin) went to a good deal of trouble to explain why the State Implement and Engineering Works were not a success. There is an old French proverb which means, "He that excuses accuses." The hon. member, probably out of generosity, endeavoured to advance reasons why these works were not a success. I am justified in saying that the estimates submitted by the works by no means proved that the jobs were done cheaply. It is a well known fact that in many instances Government departments are given work without being required to submit a price.

Mr. Tonkin: Yes, but that has never been the experience of the State Implement Works.

Mr. SAMPSON: The hon. member infers that for every job given to those works, a price has had to be submitted.

Mr. Doney: What about those shipping jobs?

Mr. SAMPSON: One might well ask what about the shipping jobs to which the hon. member referred. He told us that the work had been done to time and done satisfactorily. I cannot dispute something of which I have no definite proof, but we have been told over and over again that these works have been a white elephant, something that has kept the Treasurer awake at nights, and not only the present Treasurer but many of his predecessors in office. These works have been a financial sink. The hon. member told us that State trading concerns always submit a price—I suppose he was speaking generally—and most of them have shown a loss. I think the hon. member must have been misinformed.

Mr. Tonkin: Oh no!

Mr. SAMPSON: Many jobs have been given to State trading concerns out of consideration or loving-kindness.

Mr. Tonkin: The State Implement Works have had to fight for all their jobs and have been subject to restrictions.

Mr. SAMPSON: Then they should do better than they have done. Failure often occurs because some department has been nursed or given consideration that does not make for capacity and efficiency in the carrying out of work.

Mr. Tonkin: The State Implement Works have never been nursed.

Mr. SAMPSON: The hon. member has told us that in these antediluvian engineering works it is quite impossible for work to be done at a reasonable price.

Hon. C. G. Latham: Why, at Salmon Gums there is a graveyard to their inefficiency!

Mr. SAMPSON: I have no knowledge of that.

Hon. C. G. Latham: I saw it.

Mr. SAMPSON: While the member for North-East Fremantle was speaking in favour of the State Engineering Works, I realised more fully than ever before that they are truly up against things and definitely unable to stand up to competition with the engineering concerns of Fremantle and Perth.

Mr. Tonkin: Who said that?

Hon. C. G. Latham: You did.

Mr. SAMPSON: The hon. member certainly created that impression. He spoke in favour of the works out of kindness and generosity, but I would urge the hon. member to abandon any advocacy of a concern that can bring him nothing but sorrow.

The Premier: Well, those works are doing a great job.

Mr. SAMPSON: As I said earlier, if the Treasurer does suffer from sleeplessness, it is partly because of the inefficiency or at any rate the unfortunate results of operations at the State Engineering Works.

Mr. Tonkin: Who is supposed to be inefficient?

Mr. SAMPSON: I will give the figures, and I remind the hon. member that we have been told figures cannot lie. If there is anything that would create regret and produce insomnia, those figures are calculated to do so. I sympathise with the Treasurer and with the member for North-East Fremantle. It is unfair that the Treasurer, with his multifarious duties associated with the government of the State, should have to carry the burden of the State Implement

Works, and submit arguments in an attempt to prove that they are quite a good concern, though he knows the figures are such as to prove definitely that it would have been a very good thing if they had never come into existence.

The Minister for Works: You will be very sorrowful to know that we have contracts for £250,000.

Mr. SAMPSON: I would not be sorry if the works could pay their way, but, like the member for Nelson, I do not want to see further burdens placed upon the shoulders of our people. They are already carrying a sufficiently heavy load. If this trading concern can carry out the job mentioned by the Minister for Works for a quarter of a million of money and show a profit, I shall be very pleased. That will break the long and monotonous record of losses submitted to us year after year, and for once the State Implement and Engineering Works will show a profit.

The Premier: They are making a very effective contribution to the war effort.

The Minister for Works: Do you suggest that they will not make a profit?

Mr. SAMPSON: I hope that costs have not been figured so closely that they will not make a profit, but on that score I feel much afraid. I know that from the inception there seemed to be a curse on the State Engineering Works. I am speaking subject to correction, but I think I am right in saying that the plant was purchased from a derelict engineering concern at Kilkenny in South Australia. If that is so and if the engineering works are expected, with an obsolete and I believe bankrupt plant from another State, to stand up to competition with some of the live concerns we have in this State, I shall not be greatly influenced by the Minister's judgment.

Mr. Tonkin: The fact that the plant was obtained from a bankrupt establishment would not reduce its efficiency.

Mr. SAMPSON: I do not quite get the interjection, but if a plant is out of date, if it is not labour-saving—

Mr. Tonkin: Obsolescence is a different matter altogether.

Mr. SAMPSON: The plant might be obsolete. Evidently it was. It was an old plant which came from a bankrupt concern, I believe. If I am wrong, I shall be glad to be corrected by the hon. member.

Mr. Tonkin: The fact that a machine came from a bankrupt firm does not necessarily imply that it is obsolete.

Mr. SAMPSON: Such a fact is highly suspicious. If private enterprise could not do good with such plant, how could a State trading concern hope to succeed with it?

The CHAIRMAN: If the member for Swan would not ask so many questions, he would not get so many replies.

The Minister for Works: Did you not put to work the inmates of the Fremantle Gaol?

Mr. SAMPSON: That relates to industry in the Fremantle gaol, and the importance of giving the inmates there an opportunity to learn something.

Hon. C. G. Latham: Have you finished with the State Implement Works?

Mr. SAMPSON: The State Implement Works is a concern which—

The Minister for Works: —is reforming.

Mr. SAMPSON: Whatever it may be it is no credit to the Treasurer. However, I do not blame that hon. gentleman. He has to carry the wretched thing although to make it pay seems absolutely impossible.

The Minister for Works: The new plant there is quite modern.

Mr. SAMPSON: That portion of it no doubt is quite new. Some of what I am about to read now may reach the member for North-East Fremantle (Mr. Tonkin) in time for him to escape being landed in a cul-de-sac or hopeless position by advocating the development of a concern which cannot carry on satisfactorily.

Mr. Tonkin: How do you know? Have you ever been there?

Mr. SAMPSON: Here is the Auditor General's report and balance sheet referring to the State Implement Works. I quote—

Interest on the funds provided by the Treasury and depreciation are charged in the accounts, but it is contrary to the approved arrangement under which the works are operating as a Government workshop to recover interest in the price charged for jobs done for departments.

Reading that as a layman, I believe it means that the works cannot be made to pay if the thing called interest is to be provided. As the member for Murchison (Mr. Marshall) knows, interest has a snowball effect and

keeps growing and growing. I will read further from the Auditor General—

As the profit and loss account has shown a substantial loss on each year's operations and there was an accumulated loss—

I ask members to take a good breath now, and I will give them the figures—

—of £199,572 at the 30th June, 1940, it is obvious that interest has been paid out of cash received from the realisation of capital assets.

One does not need to be an accountant to make some comment on the statement that interest has been paid out of cash received from realisation of capital assets.

Mr. Tonkin: Now I ask you what capital assets could be sold down there?

Mr. SAMPSON: I am prepared to accept the remarks of the Auditor General, and I shall not attempt to explain intricate matters of that kind. Those words are sufficiently significant for me to let them go without endeavouring to add to them.

Mr. Tonkin: Obsolete plant!

Mr. SAMPSON: Yes. Sometimes obsolete plant is sold as scrap metal. Of course it has some value.

Mr. Tonkin: The value to which you refer.

Mr. SAMPSON: I can only repeat what the Auditor General has said. Now I come to buildings, plant and machinery—

The book value of these assets after allowing for depreciation on a basis approved in 1925 was £18,045 at the 30th June, 1940. No proper records have been kept of the items making up the total remaining value, and in the absence of an inventory it is not known whether the provision for depreciation is adequate. The Treasury has approved the method adopted by the management of calculating depreciation on the remaining values shown in the ledger accounts.

If the management sold some of the plant, that would produce some funds; but the balance sheet is treated from the standpoint of obsolescence or depreciation, and the report states that the Treasury has approved the method adopted. Well, I suppose the Treasury is at its wit's end to know what to do with the works. The position seems pretty clear. There is a great deal more in these reports, but I think it would amount to cruelty to members to give them the lot. Still, let me give the position of the trading account. In 1938-39 the net loss for the year was £8,283, and for 1939-40 the loss was £7,044. That is a terrible thing. That loss represents about double the profit made

on the State hotels. It would need nearly double the profit made on those hotels to make up the yearly loss on the State Implement Works.

Perhaps I need say no more. I felt that I should make some remarks, because I listened with great respect to the member for North-East Fremantle (Mr. Tonkin). I know the hon. member is sincere; but to stand up for the results which I have been quoting, followed by the remarks of the Auditor General, is no use.

Mr. Tonkin: How was the loss calculated?

Mr. SAMPSON: The hon. member said it represents so much on all the work they did. Evidently they did not know the costs, and lost on the different jobs.

Mr. Tonkin: No.

Mr. SAMPSON: If they made up a price for every job it looks as if that was the case. Every concern of any size has to get premises and plant.

Hon. C. G. Latham: And has to pay interest and taxes.

Mr. SAMPSON: The member for Murchison (Mr. Marshall) said there was a definite realisation by most people that our troubles are mainly economical. He said this following upon the remarks of the member for North-East Fremantle (Mr. Tonkin). The member for Murchison also said that by some Act passed by a previous Government our State trading concerns were hamstrung. It is not often the hon. member is ungenerous, but I question whether a member is justified in saying that the unfortunate result which arises yearly from the carrying on of the State Implement Works is the result of some former Government's action, unless it was the Government that, having made up its mind to carry on a State engineering works, determined to buy a bankrupt plant which was perhaps obsolete and with which it was utterly impossible to compete, as prices were given for all the work.

Mr. Tonkin: You have already told us that.

Mr. SAMPSON: I desire to keep on saying it. In time I might believe it. I have not accepted it without some doubt.

Hon. W. D. Johnson: What is this stone-wallling in aid of?

Mr. SAMPSON: It is to let the hon. member realise something of what we have had to put up with from him on occasions.

If I, a comparatively young member, have learned this from the member for Guildford-Midland, he must blame himself.

The Minister for Labour: "Comparatively young" is right.

Mr. SAMPSON: State trading concerns, we were told by the member for Murchison, should have the same opportunity to progress as has private enterprise. I think this is a gem! If we could give to private enterprise the same opportunities enjoyed by State trading concerns, if when there was a loss private enterprise could approach a kindly-hearted Treasurer and ask him to put it right, and if as the member for North-East Fremantle has said, new machinery could be had to replace scrapped machinery—

Mr. Tonkin: That is done, it is not unknown.

Mr. SAMPSON: —if private enterprise could do that and a kindly-natured Treasurer would provide additional funds so that private enterprise could carry on in spite of continual losses, then there would be a great demand for jobs in private-enterprise shops. I hope we will never again hear words spoken in favour of any concern which does not do the job for which it was established, namely, pay its way.

MR. STYANTS (Kalgoorlie) [9.3]: I do not propose to detain the Committee long. I have listened with great interest to the speeches of various members, who in the aggregate have dealt with practically all matters affecting Australia, as well as countries overseas. I propose to devote the major part of my remarks to what I consider to be the main issue before us, the prosecution of a victorious war effort.

Hon. N. Keenan: Hear, hear!

Mr. McDonald: Hear, hear!

Mr. STYANTS: I have heard much about what is called the new order after the war. With other members, I feel sceptical about the realisation of any such new order, because whenever a suggestion is made to depart from orthodox principles which brought about and are keeping in existence the old order—proved to be unsatisfactory for a number of years; I refer to the depression period—such suggestion is always vigorously contested. I have come to the conclusion that the only possible way of establishing a new order which will benefit the whole

community is to bring about a change of heart in our people. We will have to get closer to the principles enunciated in the Sermon on the Mount if we are to establish a new order.

It is a positive fact that our troubles, our wars, are man-made. We have special days of intercession; we pray for an honest and just peace, but we must realise that what we are praying for the Almighty to take a hand in we ourselves are responsible for. The Almighty did not make the war. We did, and we will have to evolve some fair and just means to ensure that, after victory, there will be no repetition of the struggle now taking place.

Mr. Marshall: Hear, hear!

Mr. STYANTS: There is too great a desire on the part of sections of the community to profiteer and become wealthy at the expense of their fellow men. That must be altered. There must be a change of heart and a change of viewpoint. I remember that during the 1914-18 war we were promised a world after the war that would be fit for heroes to live in. It would be a worker's paradise; but history repeated itself and after a few boom years, during which financial institutions had let out practically unlimited credit, we got what history has taught us happens after every major war, namely, unemployment, semi-starvation and want. That is what took place after the war of 1914-18, and unless we take particular stock of ourselves we shall have a recurrence of those conditions after this war.

I have said that many people are desirous, through profiteering, of becoming wealthy at the expense of their fellow men. Let us examine the position in Australia today. I do not aim at any section of the community. We find that the Commonwealth Government was unable to let contracts for the supply of raw materials to any great extent by tender, because that Government was afraid of inferior workmanship and inferior quality of materials. It is essential that both workmanship and materials for war equipment must be of the best character; our soldiers waging the war must be assured of the best munitions and equipment. The Commonwealth Government, therefore, adopted what is known as the cost-plus system, which guarantees the best workmanship and the right quality of materials, but is expensive and extravagant. Let me

quote an instance to bear out my contention. Suppose a contract for £100,000 is let! I understand that on the cost-plus system the profit usually allowed is 4 per cent. over and above the actual cost.

There is no inducement under that system to get the goods or equipment manufactured at a minimum cost, because the person who has the tender realises that no matter what it costs to produce that armament or equipment, he is still going to get his cost price plus 4 per cent. and in the case of a contract for £100,000 he would get £4,000 as profit and the actual cost of £100,000. But if by some uneconomic management the cost of the same commodities should be inflated to £120,000, another £800 would be received as profit. That is a most costly system, but we have reached the stage when we are not able to trust each other to put first-class quality workmanship and materials into goods and equipment which are being provided to fight the enemy.

A matter that has considerably puzzled me is the question that is so often discussed as to whether Western Australia is obtaining its fair share of war contracts. On the one hand we have the Chamber of Manufactures and public men saying—and I think the Premier himself has voiced the opinion and I know other members have—that Western Australia is being left out in the cold so far as contracts for war equipment are concerned. Yet I have here a cutting from the "West Australian" of three weeks ago containing the remarks of a gentleman named Hardnett, one of the officials of the Commonwealth Government who came to this State. He said he was staggered by the State's achievements in the matter of the supply of war material. He said he was staggered by the amount of work that was being done here. He had visited some 25 plants and factories, the combined output of which, if it were visualised, would cause general surprise. The magnitude of the output was such that in his opinion it exceeded what the average person in Australia and Great Britain would regard as the present output of the whole of the Commonwealth. That is not in conformity with the expressed opinion of so many people that Western Australia is being left out in the cold.

Mr. Needham: He does not know all the answers!

Mr. STYANTS: Then we had another Commonwealth official here only last week

and he quoted instances of Western Australian industry being very much behind in the delivery of goods ordered by the Commonwealth Government. Mr. Hardnett was staggered to realise the amount of equipment that was being produced by Western Australia and the other man complained bitterly because Western Australian manufacturers could not meet the orders they had received, and were, according to him, considerably behind in delivery! The average person finds it difficult to know exactly what is the position in regard to Western Australia's share of war contracts. On the one hand we have the Chamber of Manufactures and public men declaring that Western Australia is not getting its fair share, whereas a man comes from the Eastern States—a man who should know—and says that Western Australia is not maintaining supplies of equipment ordered.

We talk about an all-in war effort, but I claim that we are not making a hundred per cent. effort or anything approaching it. Except for those who have folk near and dear to them away at the war and those who are inconvenienced by petrol rationing, Western Australians do not know there is a war. I was particularly interested in the proposal to build a munitions factory at Welshpool. Although that is only to be a small factory so far as the production of munitions is concerned, it is stated that it will take 12 months for it to start operations. About the time it was decided to build this factory at Welshpool there appeared in the paper an instance of what can be done in the way of supply factories in the United States.

I realise of course that it is not quite fair to compare a highly industrialised country like the United States with a place like Western Australia. However, this article stated that the Chrysler Motor Works in the United States had a contract to build tanks. They erected a building a quarter of a mile long and 125 yards wide and produced the first 70-ton tank in 70 days. We propose to have a munitions factory erected and in operation at Welshpool in 12 months! This is a case of emergency. Our men are crying out for equipment. Letters from soldiers at the front tell us that if only they had an even break in equipment, particularly aircraft, they could walk through the enemy quite comfortably.

Mr. Marshall: Germany is turning out 5,000 aeroplanes a month.

Mr. STYANTS: This is a matter of munitions production, and when one witnesses the progress being made at Welshpool one cannot help feeling that it is a reflection on our war effort. We should be able and willing to do much better than that.

Mr. Marshall: How many shifts are they working?

Mr. STYANTS: I do not know; nor do I know how many men are employed, but I have seen the Premier's estimate and he expected that the factory would be in production in anything from nine to 12 months. It is proposed to make cartridges for rifles there. I know that men go into the military camps in this State for three months' training and never fire a shot because they have not got the ammunition to enable them to do so. Yet we are going to take 12 months to get this factory going! People do not seem to realise the urgency of the matter. Whatever the reason, I think we should get on with the job with a great deal more haste than is being exhibited at present.

I was very pleased to see in the Press recently that it was proposed to bring officers and N.C.O.'s back from the war front to give instruction to the military forces in Australia. That is something I have advocated for months. I have spent six of the last 12 months in training in military camps in this State, and am satisfied that the men in charge of those establishments are not competent to teach men modern warfare. I do not say that as a reflection on the officers and N.C.O.'s.

Mr. Berry: You mean they have not the experience?

Mr. STYANTS: That is so. I am not speaking in a derogatory sense of those officers and N.C.O.'s. They are of the best calibre but they have not had the experience. The majority of officers holding high positions saw service in the last war, and that is something of a detriment because they are still thinking along the lines of the last war and the conditions of warfare then were as unlike those of the present war as cheese is unlike chalk. It is a good move, and in the right direction. They are officers and N.C.O.'s. who have seen actual fighting.

Mr. Abbott: They are being allowed to resign. A senior officer came back and was allowed to resign the other day.

Mr. STYANTS: Yes, but I am not particularly anxious about the senior officer. He does not see, or take part in the actual warfare. By the time a colonel comes back and passes the information on to a lieutenant-colonel, who passes it on to the major, who in turn passes it on to the captain, and from the captain to the lieutenant, then from the lieutenant to the sergeant who is the instructor, it will have lost some of its value, and would not be so efficacious as if the captain, lieutenant and sergeant were brought back. They are the men who lead the platoons in actual warfare, and see everything.

It was recognised in the last war that it was necessary to change the tactics as frequently as every three months. A man who went out wounded and was away for three months, would, on his return to the lines, find the style of warfare considerably altered. It is the same today. There must be many officers whose health has failed them on account of the privations they have undergone, and some slightly wounded, who could be returned here to convalesce, but who would be well enough to instruct the militia forces in modern warfare.

In addition there is a regrettable lack of equipment available to the men training in Australia. I refer particularly to the militia; and I am told on good authority that the men in Northam are short of equipment. That is why they are only allowed to remain there a short time and are then sent overseas where there is equipment. It has been the system adopted in the last few months, and I think since the war broke out, to put men into camp for a three-months training period. Now they propose that those who have not already had a training period should go in for six months. Unless the equipment is increased it is simply a waste of time and money to do that. There is not the scope for training available without the equipment. The men are marched up and down, and certainly get physically fit, but there is not the equipment to justify six months' training. It is simply repetition and the instructors get tired of telling the men the same thing, and the men get tired of listening.

Mr. Warner: Tired and disgusted!

Mr. STYANTS: I hope, with the six-months training period, that a better and wider range of equipment will be provided. I was in a machine gun section, and the type of gun made in Australia was not available. That is the Bren gun. I could quote dozens of cases but I am not going to do so because it is a disheartening story.

Mr. Seward: That is a serious state of affairs, because employers are inconvenienced by these people being called into camp.

Mr. STYANTS: That is so, and from the point of view of the employer it may be better to have them in for six months than three months, but unless the army gets more equipment of the sort likely to be used in the event of war, it is only a waste of time. I am told that they have the equipment here, but are keeping it in case of emergency, and in case it is necessary to send it overseas. If it is required by the men overseas, then send all they require, but it is no use putting men in for six months without equipment. How many tanks have we in Australia with which to train men? How many Bren gun carriers are there at the Melville camp? Not one! I do not think there is a tank in Western Australia for the purpose of instructing men. There are Bren gun carriers at Northam. The personal material is there—the officers and rank and file—and it is very good material. It is no use attempting to teach a man a trade without the tools of trade, and that is the position.

We have heard a lot about the falling off in recruiting. When the industries in which men are exempted is considered, and the number of men prevented from enlisting for militia training and A.I.F. training, by the Man-power Board, one begins to wonder where they are getting men from at all.

Tradesmen and men in essential services, such as firemen in the railway service, are called up for militia training, and as a result the department is very short of men, and in addition are paying enormous sums in overtime to the men remaining behind. At the present time about 60 firemen, and cleaners with firemen's certificates, are undergoing compulsory military training. I know of a firm, however, in this State, which has an exemption for its ticket-writer—the man who writes out the prices of tickets and puts them in the window. He is exempted because he is in an essential industry! A man I know myself, a packer, has been exempted.

[Mr. Marshall took the Chair.]

Mr. Warner: I heard of a car-washer the other day who got exemption.

Mr. STYANTS: I also know of a man who drives a two-horse lorry and delivers chaff, principally to trotting stables, who has an exemption through being in an essential industry. I know of a man on a butcher's cutting cart who volunteered for the A.I.F. He has an exemption certificate. He has a certificate prohibiting him from enlisting in the A.I.F. because he is in an essential industry. I know quite a number of men in one-man businesses who have exemptions. While I admit it would be a great hardship on some one-man businesses, and possibly mean the loss of the business for them to go into camp for three or six months, their businesses will not be of much value to them if the country is invaded, and they will not be in the position of being trained and able to defend their country, and their businesses, unless they undergo that training.

I have received a letter—I suppose in common with other members—from Mr. Stitfold, secretary of the Premier's Department, setting out the procedure that should be adopted by members of Parliament in the event of any of their constituents in the military forces making complaints to them. The letter practically intimated that members should not tolerate any complaints made to them by constituents in the military forces because the men were committing a military offence by approaching members of Parliament. I know that is right. I am also aware that, if a railway employee approaches a member with a complaint, he is committing an offence against the Railway Department's regulations. While I agree that on minor matters in connection with the Railway Department or military forces members of Parliament should take no action, but that the complaint should be dealt with by those departments, on major matters I contend that if we are going to agree to the tenor of that letter we shall do away with democratic government in this country. Railway or military law is not supreme in this country.

Mr. Hughes: It is always against the bottom dog.

Mr. STYANTS: Yes, and often it is a case of appealing from Cæsar to Cæsar. A superior officer commits some glaring injustice—I had an instance recently—and

the military authorities say that the aggrieved man should complain to his superior officer. The complaint being against his superior officer, it was an actual case of appealing from Caesar to Caesar. If a railway employee or a man serving in the military forces goes to his member with some major complaint—I do not mean a trifling complaint about equipment, food, or being crimed for being A.W.L. or out after hours—and we agree that he has no right to do so, we shall be attacking the very foundations of democratic government.

Later I shall have some remarks to offer on several of the departmental votes. I hope something will be done to accelerate the war effort. In my opinion we are not doing half enough. With proper effort we can do much more than we are doing at present. The man-power regulations need to be thoroughly overhauled. This country will not get an efficient army until the men are supplied with all the equipment they will need for use overseas. I do not think we shall ever get the number required for the A.I.F. or for the militia forces until we have a thorough overhaul of the man-power conditions, because there are some industries which have been declared essential industries and from which the Man-power Board has been instructed or is expected to prevent men from enlisting for either the militia or the A.I.F. While these conditions operate, it will be impossible to maintain the flow of recruits required for the A.I.F., or get sufficient men to build up the strength of the militia to such an extent as to be capable of meeting any likely invasion.

MR. BOYLE (Avon) [9.35]: I intend to move that the vote be reduced by £10. I will do so not with any fell design against the Legislative Council—

Mr. Raphael: But because you realise its usefulness, I suppose?

Mr. BOYLE: —but because it affords the only means of registering a protest against the action or inaction of the Government in certain directions. Last Thursday I attempted to move the adjournment of the House to call attention to these matters, but that procedure was disallowed by the Speaker. Of course I have no intention of discussing that phase of the question now. My protest is based on two points, firstly, the inordinate delay by the Government in framing regulations to operate the

Growers Charge Act, 1940, and secondly, the neglect to formulate regulations under the Industries Assistance Act Amendment Act, 1940. I do not approve of government by regulation; in fact, I have been critical of excessive regulations that have been placed before the House. But the Growers Charge Act and the Industries Assistance Act Amendment Act of 1940 are two measures that cannot operate without the framing of suitable regulations.

Let me deal first of all with the Growers Charge Act. This measure, passed last session, is entitled—

An Act to reserve to the grower of certain crops which are subject to a bill of sale or other security an interest in such crops by creating a charge in his favour, and for other purposes.

Section 7 provides that the Governor may make regulations. The Act became law on the 1st March, 1941, more than seven months ago. On the 29th September, of this year, the R.S.L. conference adopted a motion by the Calingiri branch demanding that the Act be put into operation. Under date the 30th September, I received a letter from the Minister for Lands referring to this Act. It read—

Some time ago I conferred with the Solicitor General in respect to action considered necessary to carry into effect the Growers Charge Act of 1940. One essential for carrying the Act into effect is the making by the Governor of certain regulations. The only other action which may be necessary will be prosecutions against persons who commit offences created by the Act.

The administration of the Act makes necessary regulations for the purposes of the following provisions of the Act, namely—

- (1) paragraph (a) of the proviso to Section 3;
- (2) the proviso to paragraph (a) of Section 5.

For the purposes of paragraph (a) of the proviso to Section 3, regulations are required to provide for the ascertainment of the cost of growing, harvesting and carting crops for or towards which advances have been made under a bill of sale of such crops, and which advances will rank in priority to the growers charge.

For the purposes of the proviso to paragraph (a) of Section 5, regulations are required to specify the manner in which moneys accruing under the growers charge shall be divided between two or more growers operating on a share-farming agreement when the agreement provides for the division of such moneys on other than a proportionate basis.

You will readily appreciate that it will be quite impossible for a parliamentary draftsman to draft regulations for the purposes aforesaid without express particulars of and instructions

concerning the provisions to be embodied in such regulations, and it would appear also that the aid of experts will be required in the formulation of such particulars and instructions.

The Solicitor General has recommended to me that it would be more satisfactory if the member who introduced the Bill would undertake in the first instance the matter of the formation of particulars necessary for the preparation of the required regulations.

I should be glad if you would give this matter some thought and communicate with me as soon as possible setting out the details considered necessary for the framing of regulations.

(Signed) F. J. S. WISE,
Minister for Lands and Agriculture.

To that I replied under date of the 7th October—

Dear Mr. Wise,—

I acknowledge your letter of September 30th in regard to framing regulations to the Growers Charge Act, 1940. You state that "the Solicitor General has recommended to me that it would be more satisfactory if the member who introduced the Bill would undertake in the first instance the matter of the formulation of particulars necessary for the preparation of the required regulations."

As the member who introduced the original Bill, I decline to accept responsibility for the framing of the necessary regulations on the following grounds:—

(1) As the Bill became an Act known as "The Growers Charge Act" which passed both Houses of Parliament and was assented to by the Governor on December 30th, 1930, the responsibility of framing regulations to the Act is fully set out in Section 7.

(2) The Bill that finally became an Act was drastically amended in the Legislative Council by several hon. members of that House. I take no responsibility for their actions. Under the circumstances, I take it that you have invited those members also to assist in the formulation of particulars necessary for the preparation of the required regulations.

(3) Whilst I appreciate your courtesy to me in this matter, I cannot undertake to relieve the Crown Law Department of its bounden duty, which is to prepare regulations to help administer any or every Act of Parliament which requires the framing of regulations.

(4) Apparently almost all private members' Bills which have become Acts are now being administered under regulations drawn up by the Crown Law Department. I am at a loss to know why the Growers Charge Act should be the exception.

The CHAIRMAN: Will the hon. member kindly resume his seat. I wish to draw attention to "May," which states that there is a limit to what can be discussed in Committee of Supply. In view of the ruling which I am about to quote, I shall be unable to accept the amendment indicated by the mem-

ber for Avon; but I point out to him that he can proceed with his discussion. On page 623 "May" says—

The administrative action of a department is open to debate, but the necessity for legislation and matters involving legislation cannot be discussed in Committee of Supply. Nor can a member discuss a grant on which the Committee have resolved, nor a grant not yet brought forward. So also when a proposal has been made to omit or reduce an item, debate is restricted to that item, and reference is not permitted to any other item in the grant.

I understand that the hon. member wishes to deal with some matter appertaining to agriculture. That being so, I must point out that the item before the Chair peculiarly appertains to the Legislative Council. Therefore the amendment would be out of order. The administration of a department, however, is open to discussion, and the hon. member may proceed on those lines.

Mr. BOYLE: Before bringing this matter forward, Mr. Chairman, I approached you on the subject, and you informed me that I would be quite in order in proceeding on these lines. Of course your present ruling is based on "May" and not on Marshall.

The CHAIRMAN: I apologise to the hon. member, but I had not realised that "May" was so strict in regard to amendments of this nature until I refreshed my memory upon it. The hon. member may proceed with his address.

Mr. BOYLE: I do not think any private member has ever received a request similar to that contained in the Minister's letter to me—at least, not within my knowledge. There may be in the Minister's letter more of consistency, for a reference to "Hansard" page 2554, of the 4th December, 1940, reports the Minister for Lands as having this to say with respect to the second reading of a Bill—

If ever there was a Bill designed and meant to be controlled by regulations, this is it.

The hon. gentleman further said—

If the power to make regulations were excluded from the measure, the Bill under discussion could not operate at all.

So that if regulations are not made—and the Minister intimates to me practically the inability of the Crown Law Department to formulate them—then we shall have no Act. My measure was approved of by the Lieut.-Governor on the 30th December, 1940, and came into force on the 1st March, 1941; but because no regulations have been for-

mulated it will remain an inoperative statute. That is a ridiculous position. There has been plenty of time to formulate the necessary regulations. I am now prepared to accept an assurance from the Minister for Lands that regulations will be formulated. Will the Minister give me and the Chamber such an assurance? If so, I will accept it. But the hon. gentleman points out in his letter to me that unless I, the member who brought down the Bill—and any private member might find himself in the same position—can, in effect, formulate regulations, the measure must remain inoperative.

That does not apply to all Bills brought down by private members, because the member for South Fremantle (Mr. Fox) brought down the Onion Marketing Bill, a good measure which received the support of this side. On reference to the bound volume of the "Government Gazette" I find that on the 7th June, 1939, His Excellency the Lieutenant-Governor in Executive Council has been pleased to make under and for the purposes of the said Act the regulations set out; and the gazetted regulations run into five pages of the "Gazette." I compliment the member for South Fremantle. I assume that he was called into consultation with the Minister for Agriculture, and I compliment him on the fine work he did. The regulations are excellent, and I presume that as a private member he was called into consultation and did a very good job. I have not had his assurance that it was so.

Hon. C. G. Latham: Of course it was not so.

The Minister for Lands: It was so.

Mr. BOYLE: The hon. member's Bill was not amended as mine was in the Legislative Council. The Growers Charge Bill was sent back to this Chamber with only one vital point remaining in it, namely, that relating to the 3s. per acre; the 4d. per bushel allowance which I had inserted in the measure was deleted on the motion of Sir Hal Colebatch. The share-farming amendment, which was absolutely useless, was inserted in the Bill. Members will recall that when the Bill was returned to this Chamber we were having one of our all-night sittings, and I had to agree to accept that half loaf.

The Minister for Lands interjected that the member for South Fremantle was called in to assist in the framing of the regulations. If so, that was entirely wrong. The principle is wrong, because once a pri-

vate member's Bill passes through Parliament and is assented to by the Governor, it does not belong to any private member of the House. It belongs to the Crown and it is the Government's duty to frame necessary regulations under it.

The Minister for Lands: Did not you admit there is difficulty in framing regulations?

Mr. BOYLE: I did not. It is unfair that a private member's Bill should pass through Parliament and that one biased person—he must be biased—should be asked to assist in framing regulations under it. I wanted to do something for the farmer, the most I could for him.

I turn now to the Industries Assistance Act Amendment Act passed last year to facilitate the distribution and the recovery by the Government of certain loan funds advanced to it by the Commonwealth Government. We on this side of the House, it will be remembered, objected to the amendment of the Industries Assistance Act with a view merely to making regulations to distribute the £570,000 under that Act. So far, we have waited for the regulations. The Amendment Act is a short measure; it merely amended Section 14 of the principal Act. A new subsection, Subsection 6, was added, paragraph (a) of which reads—

Every advance and every supply of commodities which is made or deemed to be made under this Act after the commencement of this subsection shall be made to and received by the applicant upon such terms and conditions as to the rate of and times for the payment of interest, the repayment of principal and other matters as are prescribed by the regulations made under this Act.

That was intended to safeguard for the Government the sum of £570,000; but it was also intended to safeguard for the farmer, who was drought-stricken, elbow-room and time in which to repay. I well remember the Premier, in the absence of the Minister for Lands, dealing with this particular measure. The Premier was eminently fair and clear in his remarks. He said that the conditions of the advances were not available to him at the time, but that effect would be given to them in due course. Those conditions we found out shortly after the Premier spoke were that the advances were to be free of interest for 12 months, but were then, as the Premier said, to carry interest at a rate not greater than two per cent., the principal to be repayable in seven years:

but the farmer would not be required to repay any instalments of principal except in the last four years of the term.

Unless the Government brings down regulations—we are now in October and harvesting will commence next month—it is quite on the cards, as the member for Pingelly (Mr. Seward) has pointed out, that the whole sum of £570,000 will be taken under the Industries Assistance Act, out of this year's crop. The member for Pingelly read a letter to the Committee from the manager of a branch of the Agricultural Bank in the Great Southern district stating that it was intended to deduct from the proceeds of crops the whole of the advance in one year, that is, if the proceeds proved sufficient. Notwithstanding that the farmers were promised that repayment would not be required before seven years, they will be in the position of having the whole sum deducted from the proceeds of this year's crop.

Hon. C. G. Latham: And the Government has the use of that money at a cheaper rate of interest.

Mr. Seward: It is a violation of the Commonwealth Act.

Mr. BOYLE: It is unfair. Members representing agricultural constituencies are being asked what the terms of repayment are. We cannot tell the farmers, as we do not know. We tell them that it was intended they should have seven years in which to repay the advance, but that they would not be required to make any payment on account of principal until the fourth, fifth, sixth and seventh years. I understand our Government has undertaken to repay to the Commonwealth Government £570,000 of loan moneys in seven years; and yet, because these regulations have not been framed, we are in the position we were in before. I point out that when the Government introduced the Industries Assistance Act Amendment Bill last year it asked for power to make regulations. Why has it not done so? Is it proposed to make the regulations?

I am prepared to accept ministerial assurances that the regulations will be brought down. I am not standing here in any fractious mood; I will be satisfied with an assurance from the Government that that will be done. If the assurance is given to the Committee, I will accept the word of the Government. But month after month passes. When questions are asked by

members on this side when the Government will bring down those regulations, they are given evasive replies, that the matter is under consideration, and stuff like that, which would not deceive kindergarten children. We look for something definite. There will be much trouble in the farming areas during the coming harvest if the same thing occurs as occurred in 1939-40, when the whole of the proceeds of one of the largest crops of Agricultural Bank clients was taken by the Agricultural Bank and the Associated Banks.

It has been said by uninformed people that the Growers Charge Act is more a matter of principle than of reality. That is untrue. There are in Western Australia, financed by Associated Banks, 3,500 wheatgrowers who will have the opportunity of receiving 3s. per acre before the banks can take the interest owing to them. In that Act no provision whatever is made for charges, other than the putting in and taking off of the crop, that can come between a bank and its client. Yet we find that the Government owing to its inactivity, will not permit that humanitarian measure to function. As the Minister pointed out—and I believe him, it is quite true—this is one of the Acts that cannot operate without regulation.

The CHAIRMAN: Will the member for Avon kindly resume his seat and listen to me? I have been under a misapprehension. He has indicated that he intends to move to reduce the vote under discussion. I desire to read again the paragraph from May which I read a little while ago—

The administrative action of a department is open to debate, but the necessity for legislation and matters involving legislation cannot be discussed in committee of supply.

I have been listening attentively to the hon. member to ascertain whether his arguments involved legislation. If they do, he is speaking irrelevantly. I want to give him every opportunity.

Mr. BOYLE: I take it that I cannot discuss any matter involving legislation, but I can move to reduce the vote.

The CHAIRMAN: Yes.

Mr. BOYLE: Then, as a protest I move an amendment—

That the Vote be reduced by £10.

Mr. Fox: Why not move to reduce it by the full amount?

THE MINISTER FOR LANDS (Hon. F. J. S. Wise—Gascoyne) [10.1]: It is obvious that the hon. member decided that in some way he would ventilate this grievance.

Hon. W. D. Johnson: Why did he not wait until the Lands Estimates were under discussion?

The **MINISTER FOR LANDS**: Whether the hon. member had waited to discuss the matter when the Lands Estimates were before the Committee, or whether he had moved to secure the adjournment of the House or whether he had discussed it on the general Estimates or on a motion to reduce the vote by £10, he could certainly not have made out a case by saying what he has said. I listened attentively to him, and I would like to recall just what transpired when this Bill was introduced last year. During the whole of my remarks in connection with the Bill I endeavoured to obtain information as to the manner in which the hon. member considered it could be implemented. The Leader of the Opposition will recall some comments of mine regarding the Bill being one necessitating not merely instructions but explanatory regulations. The Bill as presented to the House showed that there would be very great difficulty not merely in formulating regulations but, if they were approved, in giving effect to them. I asked what was in the hon. member's mind; I asked him in the course of my speech whether he would explain the particulars on which further information was obviously needed, but the hon. member did not answer even to his own satisfaction because he did not answer those points at all.

So we reached the stage when, after considerable attention had been given to the Bill, it became difficult for the Crown Law Department to imagine just what was in the hon. member's mind. After a consultation with the Solicitor General—knowing as I did that the hon. member had studied the Bill and had appeared to be confident of what he needed, and would therefore appreciate an opportunity of suggesting how regulations might be formulated—the matter was referred to him. However, the hon. member is angry because I extended that courtesy to him. I can imagine how angry he would have been and how critical his attitude would have been if I had attempted to draft regulations in connection with the Bill which would never have met with his approval! I suggest to him that it would

have been very dangerous for me to imagine what was in his mind at that time or to imagine what is in his mind now in respect to this Act. He would have been the first one in this Chamber caustically to criticise any regulations of mine having any bearing on this particular Act.

It is quite idle for the hon. member to suggest to this Committee and to me in his letter that the Legislative Council spoiled the Bill for him. He mentioned that point in the course of his reply to me, in which I observed that there were very many obvious errors. The hon. member did not take the trouble to read through his letter after it had been typed for him or after he had typed it himself. He refers to the "farming" of the necessary regulations.

Mr. Boyle: Do not try to criticise the efficiency of the House typiste!

The **MINISTER FOR LANDS**: He refers to this Bill being assented to in December, 1930. Obvious mistakes went unnoticed, and I think perhaps that the lack of substantial argument in his points also passed unnoticed. The hon. member says that the Bill which finally became an Act was drastically amended by the Legislative Council. He criticised the Legislative Council in his speech just now for drastically amending his Bill. What do we find occurred when the Bill came back from the Legislative Council? Not merely did he agree to all the amendments, but he commended the Legislative Council for making two of them. So it is quite foolish for him to suggest that because the Bill was drastically amended I should confer with those who made the amendments to assist in drafting the regulations. He himself approved of them. He said when he explained one of them—

The deletion of the words does not vitally affect the clause.

In connection with another amendment he said—

This is really a clarifying amendment which in the opinion of the Council renders the meaning clearer.

The **CHAIRMAN**: I am afraid this argument is developing into one involving legislation.

The **MINISTER FOR LANDS**: It always has done so. It affects legislation to the extent that it affects the Act passed last year and now on the statute-book. There is no other argument. I submit that if the hon. member has been able to state his

case it surely should be my prerogative to reply to him. The hon. member said that I had been very dilatory in not implementing the regulations necessary under this Act. He further said he did not agree with government by regulation, but he knows full well that this Act could not be implemented without regulations. When, as an act of courtesy, I asked him to confer with me to state in outline what he considered to be the necessary basis of regulations, he objected. He absolutely refused.

He declined to give any guidance at all as to what was in his mind as the author of this Act regarding the best manner of giving effect to it. I think in quite an opposite direction to the hon. member on that matter. I have never failed to confer, not upon the point of how regulations should be drawn, but just as to what specifically was in the mind of hon. members who have either introduced a Bill or criticised some particular point or made an amendment to a clause, and I think, quite in disagreement with the Leader of the Opposition, that that is a very proper course to take.

Hon. C. G. Latham: I have never heard of its being done before. I think it is improper.

The MINISTER FOR LANDS: It does not matter whether the Leader of the Opposition has heard of its being done before. No person should endeavour to draft regulations to meet the requirements of a particular point in legislation unless he has all the information he can obtain. Is that not the way to obviate disagreement when they arrive here?

Hon. C. G. Latham: Or the way to unload responsibility!

The MINISTER FOR LANDS: It is easy for the Leader of the Opposition to make that remark. I can only say in my own defence that I have never yet unloaded responsibility on to any person where that responsibility was properly mine to shoulder. I leave it to the Leader of the Opposition to refute that statement.

Hon. C. G. Latham: You never approached me.

The Minister for Works: The sponsor of the Bill refused to assist.

The MINISTER FOR LANDS: Not only would that be the effect but if the regulations were in such a form as to be acceptable to this House, the position in dealing

with the Act would be made easier because of those regulations. I ask hon. members to examine the Act and determine what is involved. I shall point out some of the difficulties as I see them, and upon which I would like to have had the privilege of the opinion of the member for Avon (Mr. Boyle). There is surely nothing unfair about that. It does not involve any shifting of responsibility but merely indicates a keen desire that, if the Act is to operate effectively, the regulations drawn under the measure shall be capable of successful use in implementing its provisions.

Under the present system in connection with deliveries of wheat, the Wheat Board arranges payments through its agents. Under the Act, where it is necessary that the regulations prescribe the means of arriving at costs—the grower will submit his bill of costs—is it expected that the board shall examine the schedule of costs to ascertain whether that shall be the accepted standard for all? Who is to be the arbiter? The grower himself has to police the Act, which contains no provision indicating that there shall be any other method of operation. The grower himself must object to the assessment if it is questioned. I imagine that would be the procedure. There is nothing in the Act to suggest how it should be done or in what manner consideration should be given to that phase. How will the agent acting for the Commonwealth Wheat Board be forced to accept the farmer's claim on the prescribed basis? The area will have to be verified. All these matters will be open to question. What arrangement will there be to give effect to those matters? At whose cost will the work be done? It is necessary at present for the mortgagee, the holder of the bill of sale, and the grower to sign a declaration in respect of the charges, and it will have to be so in this instance. That particular action is necessary before the Commonwealth bounty can be paid on past crops.

Another very important point is: What action by this Parliament is necessary to bind the Commonwealth under this Act, if regulations are promulgated? That is a point that the member for Avon possibly regards as a present difficulty upon which he does not care to comment. His silence suggests that there are these difficulties, but he will not accept the responsibility of coping with them. It is a matter of common

knowledge that the fact of this legislation becoming an Act was a great surprise to most members, including the sponsor of the Bill.

Mr. Boyle: And the Minister for Lands!

The MINISTER FOR LANDS: I made my position very clear in that I said it was not for me to oppose the legislation, which course would have permitted my action to be misrepresented and misconstrued. That would have been a very pleasant pastime for some members. I dealt with the legislation with an open mind, pointing out the difficulties that experience had shown were very real. Upon those difficulties I sought friendly consultation with the member for Avon to sort out the important points I have already mentioned.

It is well known that the Commonwealth Wheat Board recognises only registered liens, and anything not in the nature of a registered lien is discarded by its agents when payment is to be made. Is that not so? I repeat: How are we to bind the Commonwealth respecting the charges to be made under this Act? It is all very well to protest on the air and in the weekly Press that I have been the one standing between the implementing of this legislation and the fulfilment of farmers' needs! I know full well the power of misrepresentation that is indulged in in that way, but it has very little force if an opportunity can be given to those so misled to realise just what are the difficulties in the way of meeting the situation.

In respect of oats, quite apart from wheat, many people are involved in the marketing of that commodity. Who is the one to say just what the farmer is entitled to in that regard? I point out to the member for Avon that it is no easy matter—I think he recognises the fact, although he may not acknowledge it—to arrive at a simple way to ascertain costs. When the farmer's budget is prepared, it covers his prospective income from wheat, barley, oats, sheep and other lines. I submit it is a very difficult matter to dissect and ascertain how all these factors may properly be apportioned. In all earnestness, on the advice of the Solicitor General, I wrote what I considered to be a courteous letter to the member who framed and introduced the Bill that became an Act, with a full realisation of what I was doing

when I remarked to him in the last paragraph of the communication—

I should be glad if you would give this matter some thought and communicate with me as soon as possible setting out the details considered necessary for the framing of the regulations.

I am not to get that help; but I am as certain as I stand here that I will get all the blame if I endeavour to draft them and, if drafted, they do not suit the member for Avon. I can imagine how he will comment on his motion for the disallowance of the regulations.

Mr. Boyle: You are quite wrong. I will be sympathetic.

The MINISTER FOR LANDS: I know all about the hon. member's sympathy, which is conspicuous by its absence—and always is. I wish the hon. member would be fair in this matter and not merely say that I have been dilatory or, in the words of the Leader of the Opposition, that I have tried to unload my responsibilities. If there is any earnestness in this matter, let us get down to what are the requirements. If that is done there is a possibility of regulations coming before this House which will meet the most candid critic and the most searching inquiry.

Although it is unusual for me to make any comments of this nature upon the Estimates, I would not like to pass over the mention made by the hon. member of the lack of regulations dealing with the Industries Assistance Act Amendment Act 1940. That Act was introduced to safeguard the position because at that time we did not know just how the amount was to be raised, when it was to be received and what interest rate was to be charged.

Hon. C. G. Latham: South Australia knew.

The MINISTER FOR LANDS: No State knew. South Australia anticipated the conference which finally sanctioned the granting of money to the States. South Australia anticipated it in a Bill, which finally became an Act, and which charged five per cent., I think from memory, on the amount to be advanced. I recall the conference, at which the Premier of South Australia was present, and at which he said the attitude of other Premiers in desiring to waive interest for the first year would seriously embarrass him. It is no use quoting what other States have done in this matter. No State

knew at the time what were to be the terms and conditions, and we do not know now. We are still unable to prescribe a rate of interest which is the most essential feature of regulations to be framed under that Act. As a safeguard for its repayment the Government introduced an amendment to the Industries Assistance Act so that proper authority for its recovery could be obtained.

One would believe, from the speech of the hon. member, that harsh conditions have been imposed, and that unfair treatment has been meted out. As soon, however, as we know what the interest rate is to be, not merely will the necessary regulations be drawn but our obligation will be kept. It does not matter what the rate of interest is, we will honour that obligation and the method and manner of repayment. I point out to the responsible members of this House that the State Government has to bear the responsibility of the repayment of that loan. It is our desire not to foster any system of business morality which would suggest to the farmer that when he gets a bad crop he cannot repay, and that when he gets a good one he will not repay. We desire to take into account the proceeds of the crop as is done under the present Industries Assistance Act, and no matter what the circumstances of the farmer may be, if it is possible for him to repay his interest, we would like him to.

This year it is possible that many farmers will have the opportunity to repay all this particular burden of advances made to tide them over the period but, if they need it, it shall be re-advanced to them in any proportion they require, subject to the half rate of interest which will be prescribed. It is quite impossible to criticise, in anticipation, what might be done in that connection. Nothing harsh or unfair will be done, and every consideration will be given to each individual case.

Mr. Boyle: You will lend him his own money back.

The MINISTER FOR LANDS: Not his own money, but the money he borrowed will be repaid by him, and will be re-advanced to him. The purpose of this money was to keep those affected by drought in the industry.

Hon. C. G. Latham: It has been for seven years.

The MINISTER FOR LANDS: We are prepared to advance it year by year for

seven years, otherwise what chance is there, in a year such as this, of getting repayment at all? It can readily be imagined from the prospects of this harvest, that, after paying the advances from drought relief, the instalments for interest, sustenance, and everything else, very substantial cheques will be in the hands of the farmers in many cases. We hope they will be some of the best cheques enjoyed by them for many years. I have had specific cases investigated. They show that even in a district very close to that in which the Leader of the Opposition farms, there will be farmers cropping round about 500 acres who will have a surplus left of well over £1,000 after meeting their drought relief payments, the year's expenses and the year's interest to the Agricultural Bank.

Mr. Boyle: Will that be placed in the I.A.B. Suspense Account?

The MINISTER FOR LANDS: No! I hope the hon. member is not suggesting that in such circumstances as these a major effort would not be welcomed by the farmer to relieve himself of some of the debt which he has incurred in recent years. The majority opinion would be that if the opportunity offers for them to honour their obligations for this year and past years, they would be only too anxious to do so. I hope and think that would be the majority outlook. I am very averse to sponsoring any idea to the contrary.

In this case, without regulations and without being able to prescribe them in respect of interest repayments, that money has been advanced, and no hardship has been endured, but great relief has been given. We hope that with the opulent nature of this season very many people will be overjoyed at being in a position to repay much, or all of the amounts advanced, even if it means the re-allocation of it to them at a half rate of interest, for this year, and a half rate next year, or whatever we may be charged, to enable them to remain in the industry.

The CHAIRMAN: I have allowed a fair amount of latitude on this discussion which is involving legislation. Further speeches will be confined to speaking as little as possible on subjects involving legislation.

MR. SEWARD (Pingelly—on amendment) [10.29]: In supporting the amendment moved by the member for Avon and I to take it I cannot refer to

the conditions appertaining to the drought relief money, the subject matter of the motion?

The CHAIRMAN: The hon. member will be quite in order. I will tell him when he is out of order.

Mr. SEWARD: Since the session started I have made several attempts to ascertain what conditions apply to the acceptance of this drought relief money, made available through the legislation referred to by the Minister just now. It was only last week that I was able to finalise the matter. These funds are administered by the Agricultural Bank Commissioners and it was stated in their reply to my question that any proceeds received by the farmer, during this year, no matter from what source they were obtained, would be taken by the bank. Money will be made available to him to carry on next year and the balance will be retained by the Agricultural Bank in payment or part payment of the advances made to him. Many members probably may not recollect exactly what took place when the Bill was before us last year to amend the Industries Assistance Act to permit of the distribution of these funds. I shall make some brief quotations to refresh their memories. When the Bill was before the House on the second reading, the Premier stated—

The principle on which we propose to deal with this money is that the State will accept responsibility for all the administration cost, and whatever terms we get from the Commonwealth Government in the shape of interest rebate or cheap money will be passed on to the farmers. For instance, the Commonwealth Government has said it will not charge the State Government any interest on the money for the first 12 months. We propose to hand that benefit to the farmers. Any farmer who receives drought relief money this year will pay no interest whatever on it for this year. If a farmer can get out of debt and repay it some day, all the better. For the next six years the Commonwealth Government has undertaken to pay half the interest. As the State will have to pay only half the interest rate, we propose to charge the farmers only half the interest rate. However, I do not know at what rate the loan will be floated or at what rate the Commonwealth will advance the money to us for readvancement to the farmers. Still, all the concessions we get from an interest-paying standpoint will be passed on to the farmers. . . . Whatever we have been able to get for the farmers, we do not want to deprive them of it. We will hand over whatever concessions we receive.

The Premier: That was very good, was it not?

Mr. SEWARD: Yes, if the farmers get it.

The Premier: They have not been charged interest this year, anyhow.

Mr. SEWARD: On the contrary I shall show that they have been charged not only interest but principal and anything the Bank could get hold of. The Premier, in his speech, added—

After considering all the circumstances, however, we came to the conclusion that it would be better to deal with the matter under the Industries Assistance Act, principally because the Act has been in operation for about 26 years. In consequence, all the farmers, all the financial institutions, the Agricultural Bank authorities and all concerned are conversant with the provisions of the Act. They know what sort of treatment has been meted out under the Act; they know how it has been administered; in short they know all about it. If we passed fresh legislation containing some of the provisions of the Industries Assistance Act, they might appear to be very harsh. As I said, those interested know how the Industries Assistance Act has been administered; they know its effect and the way the Bank has stood aside and allowed merchants the right to take liens for superphosphate, etc. Therefore we decided that, if we made these drought relief advances in accordance with the practice well known and well understood, there would be no ambiguity about the procedure and people would know exactly where they stood.

We propose to make a short amendment to Section 14 of the Industries Assistance Act to provide that any future advances made under the Act shall be subject to such terms and conditions as to the rate of interest, the repayment of principal and other matters as may be prescribed by regulation. Regulations will then be passed providing that, in connection with the amount of £570,000 to be issued this year as drought relief, no interest will be charged to the farmer for the first year and only half interest will be charged for the next six years. Appropriate regulations will also be made concerning repayment of the advances.

In addition I wish to read a few comments made by the Commonwealth Minister when he introduced the Bill which provided the money that the State Government would receive. The Bill was introduced by the Assistant Minister, Mr. Anthony, on the 10th December of last year. He said—

Hon. members will see outlined in the Bill an arrangement by which the Commonwealth will meet a portion of the interest which would normally be due by the States on the principal of the moneys loaned to them. This interest contribution, the administrative costs of raising the Commonwealth loan, and a straight-out grant to drought-affected wheatgrowers, which is the subject of a further Bill, may be regard-

ed as the Commonwealth Government's contribution to drought relief in Australia. Hon. members will note that the States are being allowed a period of four years in which to make their first repayments of principal. In fairness to the States, they must be given an opportunity to recover some of the moneys which they, in turn, will lend to the drought-stricken farmers. It will be appreciated by hon. members that when a farmer has suffered a year of severe drought, at least three or four years must elapse before he will be in the position to repay money advanced to him during or following the drought to enable him to carry on.

The Premier: That is all very well for him.

Mr. SEWARD: Those are the conditions on which this money was made available to the State.

The Premier: The condition was that we paid back every single shilling of it.

Mr. SEWARD: The Act itself—the Loan (Drought Relief) Act, No. 71 of 1940—states, in Section 4, Subsection 1—

The principal of moneys loaned to any State in accordance with this Act shall be repaid by that State to the Commonwealth by four equal annual payments, the first to be made not later than four years after the making of the loan and the last to be made not later than seven years after the making of the loan.

Those were conditions to which the State had to agree, as the Premier said, in order to get this money. Section 4, Subsection 2, states—

A State to which moneys are loaned in accordance with this Act shall pay interest thereon to the Commonwealth at a rate equal to that payable by the Commonwealth on moneys borrowed by the Commonwealth for the purposes of this Act.

Section 5 reads—

(1) During the first year after the making to any State of a loan in accordance with this Act, the Treasurer may pay to that State a sum not exceeding the interest on the loan payable by that State to the Commonwealth in respect of that year, and during each of the next following six years the Treasurer may pay to that State a sum not exceeding one-half of the interest on the loan payable by that State to the Commonwealth in respect of that year.

It is perfectly clear from the speech of the Commonwealth Minister and from the Act that the terms which should be passed on to the farmers are—first year, no payment of interest or principal; in the next succeeding six years, the payment of half interest, and in the fourth, fifth, sixth and seventh years, as stated by the member for Avon, the farmer had to repay the principal. The States are

committed to the same terms. If there is any doubt about it, we have the Premier's own statement that the terms the State Government received from the Commonwealth would be passed on to the farmer. As was mentioned by the Minister for Lands when speaking a few minutes ago, there came a question of the regulations. I wish to read what the Minister had to say in Committee last session as regards the regulations.

The CHAIRMAN: The hon. member is becoming as far involved in legislation as other members have been allowed to go.

Mr. SEWARD: I have almost finished the quotations I wish to make.

The CHAIRMAN: I am afraid we are drifting well away beyond the four corners of parliamentary procedure. This practice has been permitted in this Committee for many years, but the point has been overlooked by the Chairman, and I am afraid members are inclined to take advantage of the position and drift too far away. I ask the hon. member to keep as close as he can to the ruling I have given.

Mr. SEWARD: I will finish the quotations by giving one from a speech by the Minister for Lands in Committee—

I am sure the Leader of the Opposition is not afraid that the terms and conditions to be prescribed by regulations, which will be tabled when the House next meets—

Hon. C. G. Latham: That will be too late.

The Minister for Lands: —will contain anything that will not ease the burden and make the terms and conditions as reasonable as possible. I think the Leader of the Opposition really believes that will be the position.

Those quotations set out clearly the terms on which the money was made available by the Commonwealth and the terms on which it should now be made available to the farmers. Right from the inception of the administration of this money, there has been a state of uncertainty and muddling. In the first instance the Minister pointed out—at the conference which very considerably he called—that the Government was going on the old schedule of the I.A.B. in order to receive applications from the farmers, but that, to differentiate it and show it was not subject to I.A.B. conditions, a clause would be placed at the top of the application. That, the Minister stated, was to save the cost of printing fresh forms, which would amount to £300 or £400.

That arrangement was agreed to; but as soon as applications were received and the farmer was granted the money, he was sent

the ordinary I.A.B. schedule to sign before receiving the money. If he did not send the schedule, there was no money. That, to me, really savoured of a breach of faith, though I know the Minister too well to charge him with that. It does show that there were no regulations framed to guide the bank. That has been the position right through. The head office has had one policy, the branch office has had another, and the field inspector has had a third. Since the Act was passed a good deal of my time has been taken up in interviewing the bank and bringing certain facts before it of which it had no knowledge. When the bank officials had got that information they were able to handle the matter.

In the first case I dealt with, the client had an equity in sheep, and he was told by the inspector that he must pledge his entire equity in the sheep before he could get any assistance from the bank. The bank commissioners, however, ultimately ruled that he was eligible, and he got assistance. But in other cases those representations were doubtless not made and the clients were denied assistance. I have here a letter which I received from a farmer only a few days ago, and which I think worth reading to show the position of doubt that exists—

I have been reading a report of yours in the "West Australian" re repayment of drought relief, but I am still at a loss to understand. So perhaps you could now enlighten me on that. I borrowed £230 this year from the Drought Relief under the impression that the money was interest free the first year, payable back the end of five or seven years at 2½ per cent. interest. But I have reason to believe that if the Agricultural Bank considers that out of the coming wool clip and wheat crop there is sufficient to pay them back they will take it. I don't say they won't re-advance it under similar terms as this year, but that means simply I.A.B. and I have no desire to carry on as an I.A.B. client. Regarding the paying back, I was compelled a few weeks ago to hand over my wheat advance amounting to £58. I do not mind that, but I have 500 sheep that I owe £30 on. The stock firm wished to pay me £21 the other week which was due to me on last season's wool, but the Agricultural Bank refused them permission because I had been advanced drought relief. They credited my account with the £21 and my stock account is now only £9 on 500 sheep. This sort of thing greatly restricts a man carrying out necessary improvements on his farm. Can you tell me if I will be allowed to handle my coming wool clip money or not? The stock firm will advance me £200 on my sheep. I could then pay back the money advanced and be free of the I.A.B. methods. I should of course have to pay in-

terest, but I do not wish to have to do that if I have five years to pay it back to the Government. But I do want to know how I stand.

A few weeks afterwards the same man wrote to me—

In reference to my previous letter to you re drought relief and payment, another letter has just come to hand which I think you should know about. In my first letter to you I informed you my stock account was £30. The stock firm wished to pay me £21 wool retention money, but the Agricultural Bank refused them permission, with the result that they credited my account with the £21, which has brought my stock account down to £9. But now we have the Agricultural Bank demanding that I borrow money from the stock firm, £21, at 5 per cent. interest, to pay back portion of money loaned to me free of interest for a year to be paid back after only seven months. This is the position as I see it. I have of course refused.

That is only one of many cases. Another man writes to me—

I curse the day I ever had dealings with this concern. They are determined wreckers.

The Minister for Works: I think the bank curses a bit too, at times. It has some great clients.

Mr. SEWARD: The Minister cannot say anything against these clients.

The Minister for Works: They want to borrow money on their own terms.

Mr. SEWARD: Last year the Minister promised that the terms on which loans were to be got would be laid on the Table here. We do not know those terms yet.

The Minister for Lands: Neither do we!

Mr. SEWARD: The bank is taking wool retention money and wheat certificates and everything else. Last year the Premier distinctly stated that he was unable to present a signed and sealed agreement to the House because it had not been completed, but that there was an honourable understanding as to all terms except interest. Those terms we have not got. We have been endeavouring to get them; and I do say that in fairness the men in the country should know what the terms are, so that they may be exactly aware of what they have to pay back this year and in future years.

I agree with the Minister that when a man finds himself with a surplus of £1,000, the money should not be squandered but should be applied to repayment. But as regards such small amounts as £20 for wool and £50 from last year's wheat, the Associated Banks allow their clients to use them to improve their farms and so forth.

The Premier: This is drought relief money.

Mr. SEWARD: I am commenting on the fact that the Agricultural Bank takes such moneys. These are the reasons I advance for supporting the amendment.

Amendment put and a division taken with the following result:—

Ayes	15
Noes	19

Majority against .. 4

AYES.

Mr. Abbott
Mr. Berry
Mr. Boyle
Mrs. Cardell-Oliver
Mr. Hill
Mr. Hughes
Mr. Latham
Mr. McDonald

Mr. McLarty
Mr. North
Mr. Sampson
Mr. Seward
Mr. Warner
Mr. Watts
Mr. Doney

(Teller.)

NOES.

Mr. Coverley
Mr. Fox
Mr. Hawke
Mr. W. Hegney
Mr. Johnson
Mr. Leahy
Mr. Millington
Mr. Nulsen
Mr. Panten
Mr. Raphael

Mr. Rodoreda
Mr. F. C. L. Smith
Mr. Styants
Mr. Tonkin
Mr. Triat
Mr. Willcock
Mr. Wise
Mr. Withers
Mr. Wilson

(Teller.)

PAIRS.

AYES.
Mr. Stubbs
Mr. Keenan
Mr. Patrick
Mr. J. H. Smith
Mr. Mann

NOES.
Mr. Oillier
Mr. Cross
Mr. J. Hegney
Mr. Holman
Mr. Needham

Amendment thus negatived.

Vote put and passed.

This concluded the general debate.

Votes and items discussed as follows:—

Votes—Legislative Assembly, £3,020; Joint House Committee, £1,690; Joint Printing Committee, £6,211; Joint Library Committee, £265—agreed to.

Vote—Premier's Department, £18,820:

Item, Clerk to Leader of Opposition, £180.

Hon. C. G. LATHAM: I notice that only the sum of £180 is provided this year for the clerk to the Leader of the Opposition; last year the expenditure was £242. At present the clerk to the Leader of the Opposition is in camp and probably may be there for the duration of the war. On the other hand, he may not be, and no provision is made for payment to him should he return.

The Premier: Provision will be made out of the excess vote.

Hon. C. G. LATHAM: I hope so. This clerk has not been entitled to annual leave,

although I am pleased to say that I have received a letter from the department saying that in future he will be granted annual leave and thus will receive the same treatment in this respect as is given to persons employed by the Government.

Vote put and passed.

Votes—Governor's Establishment, £2,446; Executive Council, £5; London Agency, £10,627; Public Service Commissioner, £1,185—agreed to.

Vote—Government Motor Car Service, £2,140:

Item, Purchase of cars and fitting gas producers, £200.

Mr. TRIAT: Have these gas producers been purchased from agents or have they been manufactured by the Government in its workshops?

The PREMIER: Gas producers at present are being purchased by tender, but are fitted at the Government Workshops. Two gas producer units have been fitted, one to a car and another to a trailer. Some of the Ministers and I use our own cars to a considerable extent. Various Government cars and trucks have been fitted with gas producers, even cars used by the Forests Department, which does not like to take any risk of fire.

Hon. C. G. Latham: Men employed by the Forests Department would be more careful than would be ordinary members of the public.

The PREMIER: Yes. We have expended £60 upon fitting a car with a gas producer and about £160 upon fitting a trailer with a gas producer. To a certain extent these are experimental.

Hon. C. G. Latham: The trouble is that you have many short runs.

The PREMIER: Even in the city we can to some extent make use of the trailer. Fortunately, we have three or four Dodge cars of exactly similar design and the trailer can be fitted to each of them. If a car is needed for a country trip the gas producer is used, while the other cars are used for short trips.

Vote put and passed.

Votes—Printing, £70,000; Tourist Bureau, £6,300—agreed to.

Vote—Literary and Scientific Grants, etc., £11,236:

Item, Fish and Game Society of Western Australia, £86.

Mr. McLARTY: I notice that £185 was provided under this heading last year and £99 was spent. This year only £86 has been allotted. The Premier knows the good work of this society and in the circumstances the amount provided seems very small. There is no doubt that trout are increasing in the streams in the South-West. After the war we will be encouraging the tourist traffic and the establishment of trout in South-West streams will serve a useful purpose in this connection. In view of the enthusiasm of members of the society, I hope the Premier will treat it more generously.

Vote put and passed.

Vote—Treasury, £35,600—agreed to.

Vote—Audit, £17,295:

Item, Auditor General (Special Acts), Salaries and Allowances, etc., £16,470.

Hon. C. G. LATHAM: This is now October and Parliament is proceeding to deal with individual Estimates. So far we have not yet received the Auditor General's report. I know the Premier has no control over the Auditor General; at least I hope he has not. But it is very difficult for members to get a full realisation of what the Estimates mean, without the Auditor General's report. I was going to discuss some items of last year's report but it struck me it would be very unfair to do that and I have refrained from doing so. I want impressed upon the Auditor General the necessity for his complying with the requirements of the Audit Act so that we may have some idea of what he has found during the year. I feel sure the member for North-East Fremantle (Mr. Tonkin) would not have made all the statements he made tonight if he had seen the Auditor General's report, because he did exaggerate the case and misquoted.

Mr. Tonkin: I object to that. I misquoted nothing.

Hon. C. G. LATHAM: Yes, the hon. member did!

Mr. Tonkin: Let the Leader of the Opposition mention something I misquoted.

Hon. C. G. LATHAM: I will not do so at the moment because I will have an opportunity later on to deal with the matter. I want to draw the attention of the Auditor General to the fact that we are anxious to

have the report here so that we can deal with the items we are now discussing, with a full knowledge of his views.

The PREMIER: I discussed the matter a week or two ago with the Auditor General and he said he expected to have his report in at the very latest by the 15th October and perhaps earlier than that. He points out that in regard to the preparation of his report he has to wait until balance sheets of the State trading concerns are available so that he can consider them and make any comments he deems necessary.

Hon. C. G. Latham: Why are the balance sheets of the State trading concerns not available in July?

The PREMIER: It takes some time to collect the outstandings and to get a proper appreciation of stock.

Hon. C. G. Latham: It is a good thing they are not subject to the Taxation Department; they would soon know where they were then. We get no time.

The PREMIER: The Taxation Department will accept for payment of taxation the latest balance sheet whether for the period ended May or June or April or even so far back as September of last year.

Hon. C. G. Latham: Where the year ends in June you are supposed to submit returns at the end of August.

The PREMIER: That is when the Auditor General gets them. He then goes through them and makes a careful audit. There are several inspectors inquiring into these matters and he is anxious to submit a complete report at the earliest possible date. His comments take some time to prepare and print.

Vote put and passed.

Votes—Compassionate Allowances, £1,650; Government Stores, £17,747—agreed to.

Vote—Taxation, £12,000:

Item, Contingencies, £42,000.

Mr. McDONALD: I would like the Treasurer to give some consideration to anomalies that have arisen in connection with the change-over from the financial emergency tax to the income tax that took place in the year of income 1939-40.

The Premier: I suggest that progress be reported.

Progress reported.

ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [11.7]: I move—

That the House at its rising adjourn till 4.30 p.m. on Thursday next.

Question put and passed.

House adjourned at 11.8 p.m.

Legislative Assembly.

Thursday, 9th October, 1941.

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

QUESTIONS (3)—RAILWAYS.

Wheat Hauled to Bunbury.

Mr. **HILL** asked the Minister for Railways: 1, What was the amount (in tons) of wheat hauled through Wagin to the port of Bunbury for the year ended the 30th June, 1939? 2, How much of the above was hauled via Bowelling? 3, How much via Narrogin?

The **MINISTER FOR RAILWAYS** replied: 1, 2 and 3, The information is not available.

As to Mr. Watts' Inventions.

Mr. **McDONALD** asked the Minister for Railways: 1, What tests have been made by the Railway Department of the inventions of Mr. Watts, known as the pivot joint, trussed sole-plate support, spring-wing rail crossing, full-rail switch and locking device? 2, Does not the inventor claim that the adoption of these devices by the State Government Railways would result in a large saving in expenditure and also, through

more comfortable travelling, a large increase in the volume of passenger traffic? 3, Will he make arrangements for further investigation and tests of these inventions, with a view to their use?

The **MINISTER FOR RAILWAYS** replied: 1, (a) The pivot joint is in general use on these railways; (b) the trussed sole-plate support has not been tested but model has been inspected; (c) two spring-wing crossings were in use at Midland Junction for some years; (d) a full-rail switch without locking device was tested in the Perth goods yard. 2, Yes. 3, See answers (a), (c) and (d) to Question 1. Somewhat similar joints to the trussed sole-plate support were tried in America about 1910 but were not adopted. The advantages to be gained from the use of the joint are not considered to be sufficient to warrant the expense incurred in replacing the existing joints by it.

As to Standard Gauge, Kalgoorlie-Fremantle.

Mr. **NORTH** asked the Minister for Railways: 1, Has he noticed Hitler's claim to have converted 10,000 miles of Russian railways to (Australian and German) standard gauge in three months? 2, How long would it take the Western Australian Railways to build a standard line from Kalgoorlie to Fremantle?

The **MINISTER FOR RAILWAYS** replied: 1, Yes. 2, It would depend chiefly on supply of materials and number of men available, but under normal conditions the work would take from two to three years.

BILL—PUBLIC TRUSTEE.

Read a third time and transmitted to the Council.

BILL—INCOME TAX.

Second Reading.

Debate resumed from the 7th October.

HON. C. G. LATHAM (York) [4.34]: I am not offering any objection to this Bill. I have had an opportunity to check it, and, after all, the Estimates govern the taxing measure, and on that account there will be no objection. I very much regret the necessity for raising the amount of money required. I repeat what I have stated several