

rights. It may also be pointed out that, under the Act, claims for compensation for damage have to be rendered within 12 months of the work being undertaken, and that considerably more than that time has elapsed since the work was undertaken in respect of which this validation is proposed. On the face of it it appeared to me that because this 12-months period had elapsed the need for this Bill no longer existed, but the Crown Law officers have advised that it is necessary, and the Government are guided by that advice. Since the Bill was introduced in this House I have received a letter, and I understand one or two other members have received letters, from a person complaining that if the Bill is passed it will take away a certain rights of action which that person has in this matter. But I have gone into this question, and I find that this person is the person who took action against the Government. The course that should have been taken and was not taken did not, as a matter of fact, prejudice this individual in any way, because he had the notice in the Press and the personally served notice, and the fact that the Order in Council was not secured was probably not known to him at the time. Had that Order in Council been obtained and advertised this person would have had no cause of action. He brought this action in the police court and was successful, and has been paid, so I fail to see how his position can be prejudiced by the passing of the Bill. However, if any member who has received a letter from this person desires time in which to consider the matter and make sure on the point, I have no desire to hurry the Bill through.

On motion by Hon. A. Sanderson debate adjourned.

House adjourned at 6 p.m.

Legislative Assembly,

Thursday, 21st February, 1918.

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

[For "Questions on Notice" and "Papers Presented" see "Votes and Proceedings."]

QUESTION—RABBIT PEST, POISONING APPARATUS.

Mr. THOMSON (without notice) asked the Minister for Works: Seeing that the funds at the command of farmers in the wheat areas are not unlimited, have the State Implement Works any apparatus for poison distribution which would be less costly than the poison carts now being sold at £20? If so, will he supply this House with particulars?

The MINISTER FOR WORKS replied: The answer should be a plain yes. The State Implement Works exhibited at the Claremont Show an attachment which may be put upon any ordinary sulky or cart, and the price for this attachment runs from £3 15s. up to £8. It is a singular thing that just before I came to the House the manager of the State Implement Works, Mr. Shaw, sent me a letter about one of these £3 15s. poison attachments, and with the permission of the House I should like to read it. It is written to the manager of the State Implement Works by Mr. Alex. Rankin of Kenmuir Farm, Kondinin, and is dated 13th February, 1918. The letter is as follows:—

Dear Sir,—I am pleased to report to you that I have received your rabbit poisoning attachment and we have fixed it to our sulky. We have already given it a good trial. We poisoned 10 miles around our clearings in about six hours and laid in that time about 5,000 baits. The apparatus worked splendidly and gave us every satisfaction. The whole affair reflects great credit on you and your staff. It is simple, effective, and very cheap. To anyone with a sulky it will save a large sum against the purchase of a cart distributor, and will effect its purpose equally as well. There is only one little drawback to the apparatus, and it is difficult to see how you could overcome same, and that is your cross bar rests on top of sulky springs and on driving over rough country the occupants get badly bumped. However, we must be willing to put up with some inconvenience while we have got such an inexpensive and effective method of dealing with this dreaded pest. (Sgd.) Alex. Rankin.

I am pleased to have received this letter from Mr. Shaw, and to find that our efforts to give a cheap apparatus have been successful. What Mr. Shaw has brought forward at £3 15s. is the cheapest poisoning arrangement in Australia, and it has proved effective and reliable.

LEAVE OF ABSENCE.

On motion by Mr. HARDWICK leave of absence granted to the member for Leonora (Mr. Foley) for two weeks on the ground of urgent private business.

RETURN—GOVERNMENT OFFICES IN PRIVATE BUILDINGS, RENTS.

On motion by Mr. H. ROBINSON (Albany) ordered: "That a return be laid upon the Table of the House showing the amount of rent which the Government are paying annually to private individuals, syndicates, or companies etc., for the use of various premises, lands, and offices in the metropolitan area."

The Minister for Works laid the return on the Table.

RETURN—FREEZING WORKS, WYNDHAM.

Mr. H. ROBINSON (Albany) [4.40]: I formally move—

"That a return be laid upon the Table of the House showing—(a) The cost of the

Wyndham Freezing Works to the 31st January, 1918, (b) the anticipated cost when completed, (c) the maximum and minimum weekly wage paid to (1) men, (2) boys, (d) the hours worked, (e) the amount paid to the same date in passage money for employees from Fremantle to Wyndham and back, and also the allowance for lost time in travelling."

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [4.41]: There is no opposition to the motion, and the return is here.

Hon. W. C. ANGWIN (North-East Fremantle) [4.42]: I would like to point out, Sir, that this is not the usual way of doing business in this House.

Mr. SPEAKER: This is a formal motion and the hon. member cannot debate it.

Hon. W. C. ANGWIN: Under what ruling can I not debate this motion?

Mr. SPEAKER: It is a formal motion.

Hon. W. C. ANGWIN: It is a Notice of Motion given in the ordinary manner.

Mr. SPEAKER: Will the hon. member resume his seat? When an hon. member moves a motion formally he cannot make any remarks upon it, and it has been the ruling of Speakers that it is not to be debated.

Hon. T. WALKER (Kanowna) [4.43]: Is it not within the province of any hon. member to object to any motion being taken as formal? All motions that are submitted to the House are open to debate, and any hon. member in his place in the House has a perfect right to object to a motion being treated as formal. No hon. member, or even a Minister, can make a debatable motion a formal one, and so get it through without debate.

Mr. SPEAKER: I will relieve the hon. member if he will resume his seat. In the carrying out of that rule, if a motion is objected to it cannot be proceeded with. That is the point. If formal motions are moved and not debated, and no objection is raised to them, they are passed. As an objection is raised in this case, I cannot put the motion.

Mr. DRAPER (West Perth) [4.44]: What procedure is necessary to have a motion inserted on the Formal List? I had a motion on the Notice Paper yesterday, but was unable to get to the House by 4.30 p.m., and it therefore lapsed.

Mr. SPEAKER: Standing Order 104 clearly points out to the hon. member the position in regard to that motion.

Mr. DRAPER: The Premier stated in this House that if anyone asked for the papers with regard to Mr. A. Colenso Kessell they would be laid upon the Table of the House.

Mr. SPEAKER: The hon. member cannot debate that at this stage.

Mr. DRAPER: I asked for this information by notice, and therefore thought the motion would have been considered as formal, but apparently that is not so.

Hon. W. C. Angwin: I object to—

Mr. SPEAKER: I am not putting the question. There was no objection to the first motion, and this one has not yet been put.

The Minister for Works: I have handed in the return.

Hon. P. Collier: It will have to be withdrawn.

Mr. SPEAKER: I might inform members that I am not responsible for the way in which the Notice Paper is drawn up.

ANNUAL ESTIMATES, 1917-18.

In Committee of Supply.

Debate resumed from the 14th February on the Treasurer's Financial Statement and the Annual Estimates; Mr. Stubbs in the Chair.

Vote—His Excellency the Governor, £1,573:

Hon. J. MITCHELL (Northam) [4.50]: I do not propose to criticise the Government very much and certainly not a great length. The Government have asked for advice, and I propose as far as I am able to offer some. I will speak quite freely as my desire is to help the State. The leader of the Opposition asked for the Government's policy. It was thought by many hon. members that the speech of the Treasurer would disclose to some extent the intentions of the Government. It is a decided weakness in administration, from the Treasurer's point of view, to have a large number of Ministers, because each one makes more trouble and adds considerably to the expense of government. The Treasurer, it is true, cannot take control and be responsible for more than one department, no matter how able he may be. In this case the Treasurer is not the Premier. The Premier in answer to the leader of the Opposition, practically admitted that the Government had no policy, and it was understood that the Government were not borrowing. I think we are borrowing very freely. The Treasurer arranged to borrow a considerable amount of money when he attended the Treasurers' Conference. He arranged to borrow £700,000 from the Commonwealth, with the right to raise a sum locally. To say that there should be no policy because there can be no borrowing is too much for the indulgence even of the House. It is possible to fool some of the people some of the time, but we cannot fool all the people all the time. The responsibility rests with Parliament, and Parliament has to face the responsibility. The Premier said that no Government had taken office under such adverse circumstances. I am willing to admit that the circumstances are not favourable, but the position to-night is not much worse than it was in 1914. I doubt whether any other Government has been treated with so much indulgence by the House. It was thought by members that, when the people at the last elections returned the present Government to power, that because they were returning a National Government, they were doing something good. We have had our troubles for many years in this country, beginning from the time when we were first granted Responsible Government. We had greater troubles to face then than we have to face to-day. There were difficulties confronting Lord Forrest when he became Premier in 1891, and when he only had 50,000 people in the State, and less than half a million of revenue, 100 miles of railways, and when the imports exceeded the exports. With that small equipment he had to face the development of the country. In

1900 there were 270,000 people in the State, the revenue was nearly three millions and the gold production had increased enormously.

Hon. W. C. Angwin: Find another Kalgoolie and we will be all right.

Hon. J. MITCHELL: One might have expected such an interjection. How was Kalgoolie found but for the policy Lord Forrest initiated when he became Premier.

Mr. Green: That is why he was made a Peer.

Hon. J. MITCHELL: He deserves it. Railways were constructed to the goldfields, the country was opened up, and the production of gold was made possible by the expenditure of something like 10 millions of money in nine years. These things were done by a brave man. One can readily understand that if Lord Forrest had not been willing to take some risks this country would not have been so rapidly developed. I do not mean to say that the Golden Mile would not have been discovered, but I do think hon. members will admit that Lord Forrest took some risks in connection with his administration and certainly when the construction of the railway line from Southern Cross to Coolgardie was authorised.

Hon. W. C. Angwin: He had a lot of luck.

Hon. P. Collier: He had luck and pluck.

Mr. Troy: The country took the risk.

Mr. O'Loghlen: It is a good job he did it, anyhow.

Hon. J. MITCHELL: Then Federation came about and there is no doubt about it that that has been responsible to a great extent for many of the troubles we have to face now. Our revenue fell in 1909 to £3,200,000 and in 1910-11 it increased to £3,800,000. By that time we had 2,300 miles of railway, the gold production was a million ounces per annum, the exports exceeded the imports by £6 per head of the population, we borrowed in those six years seven millions of money and reached high-water mark in the State's prosperity. For the first time in many years our ledger balanced and our invested money paid its own way and provided interest and sinking fund from the earnings. We had the advantage of loan expenditure on the State's conveniences without any loss at all to the revenue of the State. Since then we have reached an unfortunate financial position which has grown more serious day by day. We have had droughts and the last five years have been difficult years in some parts of the agricultural areas. The leader of the Opposition pointed with pride to the 1915-16 deficit of £350,000.

Hon. P. Collier: I did not point to it with pride.

Hon. J. MITCHELL: Yes, the hon. member made a comparison between that year and the present year. There was £90,000 odd which should have been charged up in that year.

Hon. P. Collier: It has to be remembered, too, that the Auditor General said there was £320,000 owing to the State which should have been collected and was not collected. If it had been collected there would have been no deficit at all.

Hon. J. MITCHELL: The interest was £100,000 less in that year than in the year 1916-17 and the increase in the railway earnings was due to the haulage of Commonwealth goods in connection with the trans-Australian railway. I would like to point out, too, that the deficit last year was really a deficit of £600,000, when we take credit for the £90,000 odd I have referred to. Further than that, we have to remember that this year the interest bill will be up by another £100,000. The financial position is due, I think, to the increased interest bill and to decreased earnings. In 1911 the railways returned a surplus over working expenses of £150,000. The interest bill was then one million pounds. In 1917 it was £1,700,000, and the net earnings were £897,000. So we have a difference in the interest bill of £720,000 to meet, year in and year out, until the position improves. Then we have borrowed 17 millions since 1911, due to the enthusiasm of our friends opposite, and we have no commensurate increased earnings. The Treasurer's speech did not seem to show any way out of our present financial troubles. It is true that some economies are suggested, and increased railway freights and taxation hinted at. The sinking fund, we are told, will not be repudiated. It seems to me that money can be borrowed, and I think it ought to be borrowed. Our sinking fund is almost as large as that of all the States of Australia put together. It is to be remembered that this borrowed money of ours is invested, and that owing to the war the investments cannot be made to earn interest. The estimated deficit for this year is £936,000. The interest next year on this amount will be an added trouble for the Treasurer. It is anticipated that additional taxation will give us £225,000, and to this the Treasurer proposes to add increased railway freights. Economy is promised. I do not know when it was not promised.

The Colonial Treasurer: I know when it was not practised.

Hon. J. MITCHELL: I do not know that it is practised to-day to the full extent, and I do not suppose it ever will be. I do not deny the Treasurer's difficulties, nor do I wish to minimise them. I know that economy in the public service is a very difficult matter, but it will have to be practised now, or the finances will never be squared. The Treasurer will remember that he was disinclined to grant the ex-Treasurer any additional taxation. In his speech the other night he regretted that the taxation proposed by Mr. Scaddan in 1915 was not agreed to, a tax that would have taken hundreds of thousands of pounds per annum out of the pockets of the people, to be used as ordinary loan funds to provide work for the unemployed.

The Colonial Treasurer: Such a tax required the approval of both Houses of Parliament.

Hon. J. MITCHELL: Of course so, in the ordinary way. However, if that money had been raised it would not have been raised for ordinary purposes. It would have been a special tax raised for a special purpose. At any rate, it seemed to me a little inconsistent to hear the Treasurer say he was prepared to grant that tax to a previous Treasurer, al-

though he had denied any additional taxation to the late Treasurer. The present Treasurer finds the burden of financing the State a very heavy one. We have an increasing deficit to meet, due to the existing position.

Hon. T. Walker: You never said that when we were in.

Hon. J. MITCHELL: I freely acknowledged the troubles of the hon. gentlemen, but the troubles of 1914 were as nothing compared to the troubles of 1915, when the increase in the interest and sinking fund was very considerable. However, I do not know that we have very much to do with the past; what we have to deal with are the present difficulties. I think the interest and sinking fund should not be charged against general revenue, and I hope the Treasurer will be able to arrange that it be borrowed. Under existing conditions it will have to be written up as part of the deficit, which is not good for the State. I do not see why, for the next year or two, this amount should not be borrowed.

The Colonial Treasurer: There would be interest to pay on it just the same.

Hon. J. MITCHELL: We have to pay interest now on the borrowed money, of course, but if we could borrow the £300,000 no one would object to paying interest on it. I think we should get an additional £50,000 from the pastoral leases, and get it fairly soon.

The Colonial Treasurer: Not till 1927.

Hon. J. MITCHELL: I think that when the values of the leases are reappraised we should get £50,000 from them.

Mr. Munsie: When you were in office you said we would get £50,000 from them that year.

Hon. J. MITCHELL: Certainly not. The pastoralists did not apply for renewal until now, and it was never intended that they should do so earlier. Economy, of course, must be practised, and probably we could save from £50,000 to £100,000 in this way. We can raise £100,000 by taxation, but I doubt if we can raise much more than that, because the people are not in a position to pay greatly increased taxation, which would only serve to retard production. Last year there was a loss of £30,000 on the cattle brought down from the North-West. That of course can be saved, and by these several means we should cover some £830,000 of the deficit. Of course there are other means of raising taxation as, for instance, in the way suggested by the member for Perth (Mr. Pilkington) with which I shall deal a little later.

Hon. W. C. Angwin: And charge an increase of one penny per drink over the bar at Parliament House, to start with.

Hon. J. MITCHELL: I have already pointed out that some of our troubles are due to Federation. Federation has left us with the full responsibility of developing an undeveloped State. We have to provide education, police protection, charities, everything that concerns the daily life of the people. The only connection we know of as between the people here and the Federal Government are the Post Office and the Customs. We have all the responsibilities we had before, with very much less opportunity of collecting revenue. In 1900, the year before Federation, our clear

revenue from Customs and taxation was one million pounds, while the interest bill amounted to £439,000. In 1912-13, the year after Federation, due to a favourable short period arrangement in connection with the Commonwealth returns, our clear revenue from Customs and taxation amounted to £1,476,000, when we had an interest bill of £700,000. Then the amounts under that short term arrangement were steadily reduced, until in 1910-11 our income from these sources had decreased to £890,000 from the Commonwealth, as against the £1,200,000 we had in our best year prior to Federation; and by this time our interest bill had increased to one million pounds. In other words, our clear revenue was not sufficient to meet the interest and sinking fund, yet we managed to produce a credit balance of £15,000 on the year. In 1916-17 our interest bill had reached £1,060,000. I point to these figures because I think when they are realised and noted members will see that the position of the State is due to the fact that we have provided conveniences far beyond the requirements of the people for the moment. The Press of the Eastern States are very fond of referring disparagingly to this State. They say it is fast drifting into bankruptcy, whereas, although we may for the moment be in difficulties for cash, our position is perfectly sound, because on the whole our borrowed money has been very well spent. We owe a net debt of 35 millions, and I think it will be agreed that we have assets that will cover every penny of the amount we owe. This is the position that should go out to the world. Then, too, we have vast assets in timber, coal, and wheat lands. We are in difficulties temporarily, but there is a way out. Our duty is to make some attempt to stem the tide now. I think I am right in saying that we shall not get out of our difficulties until we achieve vastly increased production. For that we require increased population. Taxation, we are told, is the only remedy. I say it is no lasting remedy. It is a fortunate thing that for some years to come we shall have no need of any big public works policy. It is true that we have in the South-West division 200 or 300 miles of railways that must be built before the land there can be opened up.

Hon. T. Walker: And then there is the Esperance-Northwards railway.

Hon. J. MITCHELL: I think I have heard of the Esperance railway before. Let me congratulate the member for Kanowna on again reminding the Committee that there is a railway needed in the Esperance district.

Mr. Lutey: The Premier told us a little about the Esperance railway before the general election.

Hon. J. MITCHELL: I do not know how long the Esperance district can maintain its present spurt, but the settlers there seem to have had an average of 20 bushels. Therefore the member for Kanowna will be able to advocate on some solid grounds the building of that railway. Since the line cannot be constructed for some time, I think it would be wise for the Government to encourage the Esperance settlers to grow wheat by way of

testing the district, even if the Government have to cart the wheat. In that way the district will be proved. So long as the wheat is not carted at too great a cost to the producer at Esperance, there can be no objection from his point of view. It would not be much for the Government to lose the difference between the railway freight and cartage, thereby settling the Esperance question for all time. It can be settled before rails are available with which to lay the line. Ministers have asked the Committee to tell them what to do as regards the finances. I think the member for Perth was right in saying that the Committee should be given by the Government a definite policy to criticise. At any rate, the Committee cannot originate a policy. The member for Swan took the member for Perth to task for not suggesting something more than he did suggest; but the member for Perth did at least make a suggestion with regard to taxation that is worthy of consideration. On the other hand, from the speech of the member for Swan I have been unable to gather any suggestion at all. Perhaps the hon. member has made some suggestions privately to the Treasurer. We have to remember that the present Government came into being as a coalition Government.

Hon. P. Collier: National.

Hon. J. MITCHELL: As a coalition Government to do national work.

Hon. P. Collier: "National" is the flag.

Hon. T. Walker: It is the sign post.

Hon. J. MITCHELL: I fear the Country party have knocked the sign post down. At the elections the members of the Country party were Nationalists, but I understand the member for Toodyay has announced that his party are now a Country party supporting the Government. I have had some little Ministerial experience, and when I left office I had some experience which was not Ministerial. That experience notwithstanding—although it was an experience bitter for the moment—I did offer to assist the Government in any way I could. That was an offer honestly made. I have had some experience of the wheat scheme, and in connection with that I spent some time in Melbourne at the country's expense. The Honorary Minister, Mr. Baxter, went to Melbourne, where the assistance I could have rendered him before he left might have been of some use to him. I should have been glad to assist him, but had not the opportunity. Again, some time ago I wrote a letter to the Premier regarding the Agricultural Commissioner for the South-West. My position is totally different from that of other hon. members. I have been in office, and after leaving office I did make a definite offer to do what I could. That offer was not accepted. To-day I will suggest—though I do not think my suggestions are likely to find favour—certain things which I think ought to be done, and which I venture to say will have to be done before this country comes into its own again. Ministers know their own limitations in funds and otherwise, and they know that the policy to which I refer is the only one which should be put before the country.

Hon. P. Collier: I do not know what that means.

Hon. J. MITCHELL: Apparently it does not mean what the leader of the Opposition thinks it means. The possible activity of the Government must be measured by Ministerial capacity. This refers to Ministers individually rather than to Ministers collectively. The administration will reflect the ability of Ministers. No advice which can be tendered will alter that.

Hon. W. C. Angwin: Can you tell me how it is that Ministers coming from Northam have such a great spending capacity?

Hon. J. MITCHELL: I do not think Ministers from Northam spend money otherwise than in works of development which are of advantage to the country. The present Treasurer will tell the Committee that my administration of the Lands Department was much more economical than any administration has been since. He has told me that. We all know that there must be economy and taxation to meet our State responsibilities. We must have more people and increased production and increased exports and decreased imports. We must live on the food of the State. I will produce figures to show that in doing that we shall alter our position very materially. I believe repatriation is the question of the greatest importance to-day—more important than any other question before the people—not only because it means that we propose to do for the returned soldier something that we ought to do for him, but because in doing the soldiers' work here we are doing the only work that can make the country again. I am considering not only the present but also the future. I have pointed out the enormous load of interest the people of Western Australia have to bear, and I have drawn attention to the fact that this interest is not covered by the earnings of the invested money for the reason that our harbours and our railways are largely idle. In that respect the State is losing sufficient, I believe, to cover the difference when these public facilities are again being fully utilised. If we only had the people to do the work, and if we only had the work done, we should soon get back to the position of 1911.

Hon. W. C. Angwin: That position was not very grand. What we want is something better than that.

Hon. J. MITCHELL: We have never had a better position since then. Hon. members opposite imagine when one refers to the year 1911 that one is reflecting on their administration. I admit that the money they spent, and spent somewhat lavishly, can be made profitable by development.

Hon. T. Walker: You think that is a great concession?

Hon. J. MITCHELL: Yes; because development is possible. If repatriation is to be made good, it means providing employment for at least 20,000 men without denying men now here the opportunity to work. We want to repatriate our soldiers without throwing other men out of employment. I have no wish to decry the assistance which is suggested for the setting up of ten men here and ten men there, but I contend that

that is no real solution of the question. To my mind it does not affect the responsibilities of the Government. Such suggestions can have no wide influence. They represent merely the fixing of a few returned soldiers now and again. The Government must act at once on broad lines. If we prepare now, we can find lasting and profitable employment for returned soldiers by natural means. If we let our soldiers come back to a country unprepared, there will be only temporary and probably unprofitable employment by artificial means. I want to impress upon the Government that activity must radiate from them. I do not for a moment believe that more than a fraction of the returned soldiers will become farmers, but I say right here that if a proportion of the returned soldiers do become farmers, the fact that they do go upon the land will help to find places for returned soldiers in other lines. What I wish the Committee to bear in mind is that in talking about land settlement, we are not talking about land settlement for all the soldiers or even for the greater proportion of them, but only for a fraction of them, and certainly only for those who wish to go on the land. The setting up of the returned men in life has a bearing on employment generally. I want them set up in life without causing trouble to the men now here. The Labour members of this House, with the leader of the Opposition, have a responsibility in this matter. It will be found that returned soldiers will be employed to the exclusion of other men. Sentiment is not dead. It is not a question of one man paying wages and employing a returned soldier in preference to another person; but in all businesses the returned man will have the preference over all people. We are bound to remember our obligation to the men who have fought for liberty, freedom, and justice. No sane man—I repeat this especially for the benefit of the leader of the Opposition—wants a conflict between the men who went to the Front and the men who could not go. From the Railway Department alone 1,600 men have gone to the Front, and if those 1,600 men return to-morrow they must go back to their work in the Railway Department. With railway activities as they are to-day, that would mean the shutting out of 1,600 men now in employment. I mention this because it illustrates the position so much better. The timber trade, of course, will revive, and will provide work for the railways as well as in other directions. But there is uncertainty about shipping. I do not know that very much employment will be found by capital, because, unfortunately, there are so many strikes now. Labour is fighting capital to an absolutely unnecessary extent. No matter what the conditions or what the wages, fighting goes on. There is a strike in my own district.

Hon. W. C. Angwin: What about the British Generals striking against the British Government?

Mr. Green: What about the doctors striking in Victoria?

Hon. J. MITCHELL: Hon members opposite can believe me or not, as they please;

but they have to realise that the differences between capital and labour ought not to result in so many strikes, and that it would be well for labour at this stage of history to encourage the investment of capital, so that the State may return to something like prosperity. I say that is undoubtedly the duty of labour.

Mr. Green: How about the Victorian doctors, while you are on this subject; why do not they go before the Arbitration Court?

Hon. J. MITCHELL: I think these gentlemen wanted to conscript the doctors in Victoria and naturally the doctors objected. We ought to see that everyone has a job to go to. All my argument is in favour of work, and this country, and any country can only be prosperous when everybody has work. I know nothing about the doctors' strike; I do not know what the condition of the doctors was in Victoria, but I know that my friends opposite will compel doctors to work whether they like it or not.

Mr. Green: It is a case of live or die.

Hon. J. MITCHELL: You can gaol one or two doctors but not a thousand men.

Mr. Green: When in gaol you have to feed them.

Hon. J. MITCHELL: Prosperity can only come from production. New Zealand is a prosperous country. It has a great deal of debt, the loan indebtedness is very high, but New Zealand is a naturally prosperous country. They have no sinking fund except for one or two war loans but they produced a surplus of four millions last year notwithstanding the large amount which they have borrowed. Their exports in 1915-16 were greater by £4,000,000 than their imports, and this was largely due to production. New Zealand has plenty of money to develop and notwithstanding the war it is an immensely prosperous country.

Mr. Munsie: You were Minister for four years and what did you do. That was in the prosperous times, too?

Hon. J. MITCHELL: I was trying to break down the criticism of croakers like the hon. member. The result of the work of those years has left its mark in the State to-day.

Mr. Munsie: Why did you not do something for the South-West, you are asking the Government to do it now.

Hon. J. MITCHELL: We did; we put in irrigation schemes.

Mr. Munsie: We put in an irrigation scheme at Harvey and you had been talking about it for years.

Hon. J. MITCHELL: The hon. member says that they put in an irrigation scheme at Harvey. That is the one thing which they did in the South-West. In my time I put in 300 irrigation schemes—true they were small.

Mr. Munsie: You want to microscope to find them.

Hon. J. MITCHELL: They were small schemes but that is the right way to develop the State. Some of them have ceased to run, I admit, but they were quite as useful as the very expensive one at Harvey which is providing a great deal of trouble for the Minister for Works to-day. The

leader of the Opposition knows the trouble that has been caused there. What did we do for the South-West? There are thousands of farmers settled there to-day; there are thousands of cases of fruit being produced there to-day because of the work which we did. We helped the people to do all these things in the South-West. I worked for the South-West far beyond the suggestions of the interjectors. To-day the Busselton butter factory is turning out three tons of butter per week and at the Bunbury factory three tons of butter per week is being produced. I want no credit for what I have done and I am not looking for credit from hon. members. War or no war, we would have had financial trouble due largely to the fact that we federated far too soon. We are a people crying in the wilderness, but we need not grope in the dark any longer. I want the House to decide what is to be done to guarantee a settlement of 20,000 men; they should be given the fullest opportunity. It has got to be done. Land can be found near the towns and the railways for a few, but only a few. The land adjacent to the railways has been picked over for years and therefore we shall not be able to find sufficient for our soldiers there. Taxation will not alter the position. Our land is being used; it is producing wool, meat and all kinds of things. If members read the file they will see that this land settlement policy has been discussed time and again when I was Minister for Industries and the present Premier was Minister for Lands. We discussed the throwing open of vastly improved farms for these men. The real opportunity will come from the opening up of the wet South-West portion of the State.

Mr. Munsie: Nornalup.

Hon. J. MITCHELL: Yes, Nornalup among other places. I doubt if there are many places like Nornalup in the whole of Australia.

Mr. Munsie: I believe there is some very fine land there.

Hon. J. MITCHELL: Members may smile.

Mr. Munsie: There is 10 miles of country on the Hunter River in New South Wales which is worth the whole of the land in Western Australia.

Hon. J. MITCHELL: Members are inclined to sneer at their own country and that is the reason why we are so backward to-day.

Hon. P. Collier: All our sneers are not so bad as pulling up orchards.

Hon. J. MITCHELL: There are no orchards at Nornalup to root up. It is magnificent country with a magnificent climate, and some day the truth will be accepted and the land there will be developed. If members will look into the question they will see that between Bridgetown and the coast, between Bunbury and Albany there is a long strip of land, not very wide I admit, of beautiful country with a mild climate. They have a mild winter there and the climate throughout the year is temperate. Are we to open up this country?

Hon. T. Walker: Decidedly.

Hon. J. MITCHELL: Then it is decided. Then why wait? Why tarry so long since it has been decided on the voices that we are to open up this country. Let us put surveyors on to the work at once. If we are to settle this country, then let us survey it.

Hon. P. Collier: We are settling it all right.

Hon. J. MITCHELL: The surveyors ought to be got to work, for it takes a long time to prepare many blocks. I should like to see 10,000 blocks got ready at once. Apart from the returning soldiers it is the desire of England to send a number of people out here and why should we not be ready to accommodate them? If we are to do our duty to the soldiers and to overcome our financial difficulties our outlook must be brightened. It is all a question of outlook. We must be prepared when it comes to a question of settling soldiers on the land, it is only an ordinary land settlement, and I think the Lands Department ought to find the land at once. I am sure the Minister will find himself pretty fully occupied with the work. If he takes time to inquire into the quality of the land between Bridgetown and Albany and in other portions of the State, then he will have plenty to do. I am sure the Minister will find it difficult to convince people of the value of the land, but if he does all this work, he will be fully occupied. This is the Surveyor General's duty rather. In making the dual appointment of Under Secretary for Lands and Surveyor General the Minister has loaded himself with work which to a large extent ought to be done by the Surveyor General; there should be no over-lapping. We have the Agricultural Bank to do their portion of this work. They have a staff and know what to do, and they should be ready to make the advances. The late Minister for Lands, Mr. Johnson, when he attended the conference in Melbourne on repatriation, said that we could take 14,000 men on the land in Western Australia and he did not estimate too many. He is perfectly right in saying that there is land which can accommodate 14,000 people so long as the money can be found for the necessary improvements. We know that there are holdings in the South-West that will accommodate not 14,000, but more than 40,000 settlers. In addition to land settlement, there is of course the work of providing for returned men who must have employment. We want to distinguish between those who will become settlers and farmers, and those who will require some other form of occupation.

The Colonial Treasurer: You have to do that, because the State's obligation is only to the men on the land.

Hon. J. MITCHELL: The Federal Government limit the expenditure of the money they advance for land settlement, but the State's obligation is towards every man who is fighting for us at the front.

Hon. T. Walker: Whether he is a farmer or otherwise.

Hon. J. MITCHELL: The Federal Government have nothing to do with the development or control of the industries of the State. All they can do is to try and find the money for

the State Governments to spend, and at the same time find work for the soldiers in such departments as the Post Office and the Customs. They may, of course, advance money to set up men in business, but that is a dangerous matter, and one that requires to be gone into thoroughly. The responsibility is ours and we must not shirk it. We must face it and welcome it. We must attack it now, and let there be no doubt about it. I suggest that the manager of the timber mills, and representatives of the timber industry, be called to a conference, and that they should be asked what they are likely to be able to do for these returned soldiers. They should be asked how many men they will want to re-establish their industry and at what time they may expect to be able to find employment for them.

The Colonial Treasurer: They would be guided to a certain extent by the state of trade.

Hon. J. MITCHELL: They know pretty well what will happen when the war is over in that respect. We can find out from them what they are likely to be able to do. It is, of course a difficult matter for any of us to say what will happen, or what opportunities there will be for finding employment. It is the duty of this Government and this Parliament to see that every means are taken to find employment for these men, and to ascertain what our limitations are in that regard. I have no desire to disparage what other people are doing, but the activities of the Government represent the real factor that will count when our soldiers return. Let us also call together in conference the managers of our gold mines, and find out from them what opportunities there are for further developments on our goldfields. I do not know whether they can be further developed, or whether the industry is capable of employing more men. It costs nothing to call these conferences together, and to seek the advice of these experts. I would also call together the manufacturers of the State, and ask them what they can do to find employment for our returned men. This matter is quite distinct from that of putting men upon farms in their own right. Having done all that, I would then turn to the men who are already upon the land. The Government will have to ask themselves what they can do to help those already on the land to find employment for returned soldiers. When these men return and want employment, it is for us to endeavour to find employment for them on farms already established, and in that way assist our farmers to further develop their holdings. There are many men in the State in the wheat belt who have not yet got their 600 acres cleared, and who could well be assisted in this direction. In 1907 there was unemployment in this State, and the farmer saved the situation. The poor old, much-despised, cocky came to the assistance of the State then, and absolutely saved the situation, because he managed to put into work thousands of men. He could do it again to-day. If work is to be found this is where we must look for it. In any case it is the right thing to do. In connection with land improvements and production, we have the Royal Commission's report, a very valuable document, and indeed the most valuable of its kind that has yet been presented to Parliament.

Hon. W. C. Angwin: The evidence is not as it was given to them.

Hon. J. MITCHELL: I think the evidence is all right.

Hon. W. C. Angwin: It is not.

Hon. J. MITCHELL: We want to increase production, and we want our lands improved more rapidly. I would like to point out what has been done during the past 10 years. It has been due to want of capital that our lands have not been improved more rapidly than has been the case. In New Zealand, and throughout Australia, it has been found that, with more money and cheaper money, a greater volume of improvements can be effected. To-day the farmer is getting money at $4\frac{1}{2}$ per cent. from the New Zealand Government, and farmers are getting more per head of the population than we advance in this State. In 1907 there were 800,000 acres cleared and in 10 years we now have 4,500,000 acres cleared, and three of these years have been war years, when little work has been done. This is a magnificent record for a handful of people. In addition, there are something like one million acres partially cleared and improved. To multiply our cleared area by five in 10 years with three years of war, is something that this State should be proud of. Our farmers created 12 million pounds worth of assets, while the Government advance was three million pounds, and the annual crop is worth £5,000,000. Is there any other industry in the State that will return quite as much as this for the outlay upon it? No other industry will stand out of the money that the farmers are standing out of in connection with the wheat pool. I believe that prosperity will begin when a widespread policy of land improvement is started, employing, as I believe it can do, thousands of men. Only by this means can repatriation be successfully undertaken. It is our clear duty to do what we can in the matter of repatriation. If my suggestions do not find favour with hon. members, I am sorry, and have done the best I can to help those people who deserve so much. With regard to economy in administration, some time ago I wrote a minute to Ministers in connection with their responsibilities as Ministers in charge of departments. There is no doubt that their responsibilities are spread over many departments with a consequent increased cost to the State. Ministers must depend for the economical working of their departments upon the permanent heads of departments. These permanent heads should be the men capable of exercising considerable authority, and should be given considerable authority. I believe that a permanent head should be carefully selected, and should remain as permanent head as long as he is the right man to manage the affairs of the department. He should be made responsible for expenditure and organisation, and for the control of his men, and indeed for all the activities connected with his department. It is necessary that a permanent head should occupy a much bigger place in the control of affairs, because we want continuity in administration and it is the permanent head who provides that. Ministers come and Ministers go, but the permanent head ought to remain unless there is some good reason to the contrary, and there

ought not to be too drastic a change in the administration of departments. I do not think that Ministers can reorganise satisfactorily by putting off a man here and there. The scheme of reorganisation must be gone into carefully, and must be made to apply to all departments at once. It is not a question of saving in salary; that would not be enough. If there are men who are not wanted their services will have to be dispensed with. It is the small expenditure in a hundred directions which counts more than the salaries of officials. We know what is going on, and that a great deal ought to be saved. I hope that the Government will treat any official, whose services they dispense with, fairly, because it always seems to me that, when a man has given 30 years of his life to the State, and has reached the age of 60, he ought to be treated with consideration.

Hon. W. C. Angwin: What about the man who has been training for a position, like Mr. Morris, the only man suitable for the position he has been training for?

Mr. O'Loughlen: And Mr. Canning also?

Hon. J. MITCHELL: Whilst I have the greatest respect for Mr. King, I agree that this is an objection.

Hon. W. C. Angwin: These men have put their heart into their work, and this is how they are being treated.

Hon. J. MITCHELL: We have to treat our civil servants fairly and if they are entitled to a pension we must give it to them. If a man is retired at the age of 60, and he has no money, it is pretty hard upon him. I understand that the right to pensions has, in some cases, been questioned. I hope this is not the case, and that pensions will be paid to men who have been led to expect them. We must treat the service fairly, otherwise it will deteriorate. The matter of the administration of departments is one for Ministers, and I merely offer these suggestions because I think it is due to hon. members to make what suggestions they have in mind. The member for Perth (Mr. Pilkington) suggested that we should tax liquor. Of course that would have to be in the form of a licensing tax. I believe that such a tax upon what is, after all, a luxury, would be a fair tax. The strength of liquors might be reduced, and it has occurred to me that during the war we might impose special conditions and compel people to sell liquor by measure at a fixed price per glass, making the quantity fit the price. If liquor was sold at 6d. per glass and the strength of it was reduced a little, we should get better results. There is no reason why we should not reduce the strength of liquor; it has been reduced in the Old Country and we should do it here. If such a tax can be imposed, I think it ought to be imposed. Liquor is a luxury which people can do without, and in these times of stress and trouble, when people are not too prosperous, here is one means of getting money that is better than many other means.

The Colonial Treasurer: If that is done we will not get the tax.

Hon. J. MITCHELL: They will not do without it. This suggestion should receive

consideration at the hands of the Treasurer; it seems to me the best suggestion yet made. I believe that the future, too, demands that we should become active in London. We announced to the public in 1916 that we were in favour of answering the British people's request that we should take some of their people; we should now, therefore, begin to organise in London so as to be able, later on, to give effect to our promise to the people of the old land.

Hon. W. C. Angwin: The people of the old land did not ask us.

The Colonial Treasurer: There will be repatriation to be done in England after this war.

Hon. J. MITCHELL: We know that Canada is actively preparing, and therefore we should be active too. It takes a good deal of work to arrange for between 15,000 and 20,000 people to go to a new country in twelve months. I think it would be a very good idea to send someone home to control this business. At any rate the Government should keep the matter before them, because we must have more people in the State. I have already suggested that we should renew our pastoral leases subject to higher rents and stocking under improved conditions. We ought to do our utmost to encourage settlement on the pastoral lands. I should certainly provide the Kimberleys with police protection, and open up those areas in telephone lines and advertise them in the Eastern States and in London; and induce people with money to take them up. The meat question will be a big one for the world to tackle, and we have a lot of virgin country which can be stocked. There are only 200 millions of the 600 millions of acres available taken up, and, seeing that new settlers will have to go in some distance from the coast, the areas will be found to be more costly to open up than those already occupied. The Government should also encourage the establishment of bacon and butter factories in the State, and we must have freezing works at Fremantle. We are in the position that we do not seem to be alive to our responsibilities. The Premier, I know, has given this question favourable consideration, and I understand that plans are in course of preparation. With regard to the butter and bacon factories, I think the Government will have to advance fairly liberally to get a few of these started.

Hon. W. C. Angwin: How is it that the bacon factory at Fremantle, which was started by private enterprise, has been closed down?

Mr. Green: And they are sending our pigs to the Eastern States.

Hon. J. MITCHELL: When we talk of the Eastern States and what is being done there we must remember that the factories are controlled by powerful organisations. As much as £50,000 might be spent on one factory in the Eastern States.

Mr. Green: Your friend, Mr. Rewell, of Northam, says that small bacon factories are the best.

Hon. J. MITCHELL: At any rate I hope these factories will be established. With regard to the operations of the Agricultural Bank, nothing would have been done in this State but for it, and our broad acres would have remained undeveloped. We all know that it will require a considerable sum of money to settle soldiers on the land, and we shall have to consider the question of increasing the capital of the Agricultural Bank. When this is done it will be found that the country will become prosperous. The control exercised by the Industries Assistance Board has strengthened the securities of the Agricultural Bank; the Board has helped production tremendously, and if we can get the maximum of output farmers will have a more comfortable time, and the State generally will have a more profitable time. I have had some experience of this board, and I know that if it had not been in existence our agricultural position would not be as sound as it is to-day. I hope the board will remain in existence permanently. There has been a good deal said about the losses sustained on the agricultural railway lines. I notice from the report of the Railway Commissioner that the losses on the agricultural lines amounted last year to £44,000; not a big sum at all when we consider what has happened. The agricultural lines are of great advantage to the main system, but they only get credit for the haulage over the mileage represented by those lines. It is wrong to say that these lines have been put down in unsuitable areas, or that they have not done the work they were intended to do. The object of these lines was to assist development, and I claim that they have done so. We import from Eastern Australia over four million pounds worth of goods, while we export only one million pounds' worth. True, some of these things are not of Australian origin, but we should make up our minds to manufacture many of the things which we import to-day. We must do this; we cannot go on importing much longer. I am afraid our production is backward, because many have damned agriculture in this State. I hope the result of the past few years' production, and the position we find ourselves in to-day, will help to dispel the idea which has prevailed that we have no agricultural lands, and that all who are interested in the prosperity of the State will uphold and assist to uplift the industry and speak the truth about it. We should defend it, because we know it is worth defending, instead of damning it. It has been damned, but for reasons which are not holy ones we should cease to damn an industry upon which the State must for all time depend.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. J. MITCHELL: I wish to emphasise the point that our future largely depends on the State's attitude towards capital. We must have development, and we must increase production, if we are to have work for our people. The work will, to a large extent, have to come from the expenditure of private funds. Therefore the State's atti-

tude towards capital should be clearly defined. All parties, I think, will agree with me that the State trading concerns have not been of advantage to any section of the community. In reply to an interjection by the Honorary Minister (Mr. Underwood), I said that possibly the State Implement Works had produced cheaper machinery; but, generally, the State trading concerns have not proved of advantage even to the worker. Because of the State trading concerns the worker does not get either more wages or more work. Rather, he gets less work, because the uncertainty of the position causes capital to fight shy of Western Australia. If private people can be encouraged to invest their money here, it surely must work good to every section of our people. It is work we want for all the people of the State. I realise, of course, that the public must not be exploited. I do not believe in monopolies. I believe in protecting the people. But I do not believe in the wanton destruction of investments. We must have reform, and we must fight for it. We need reform in Government methods, and whilst we must cut out expenditure which does not count, we cannot afford to retard the country's development by refraining from doing the things that do count. We must render justice to the State. I know that the Treasurer's finances are limited; but to fight for reform is right, and it is right to fight for the things which should be done for the benefit of the State. I think it was Chesterton who said, "In the end it will not matter to us whether we fight with flails or cudgels, but it will matter on which side we fight." The taxation proposals of the Government can be discussed when the Treasurer brings them down. I believe the Treasurer will agree with me that the spirit of Federation has not been observed. It was never thought that the Federal Government would reach out in every direction to absorb all avenues of taxation. It was never thought the Federal Government would engage in activities which really have no wide concern with the people of Australia. We must fight for State rights. I believe that if a conference could be called—how constituted I am not prepared to say just now, but so constituted as to have some influence—the functions of the two Governments, Federal and State, could be clearly defined. There need not be any overlapping. The Federal authorities should recognise our responsibilities and the work we have to do, just as we recognise that there are things which are properly the concern of the Commonwealth Government. It is impossible for the State to meet its obligations if on every hand the Federal Government seizes all revenue. We have now had a long experience of Federation; and since a very few years after Federation our finances have been our trouble. It will be many years before we shake off the effects of the cost of Federation to this State. It is useless to say to-day that we were in an undeveloped state at the time of Federation, that we joined up with developed States which had established manufactures. Apparently, the manufacture of our requirements in the Eastern States has been much cheaper than the

local manufacture. We know that the manufactory which were established in our State prior to Federation have passed away from us. I hope that the factories to which I have referred to-night will soon become an established fact here. The jam factory is benefiting the orange growers very much indeed, and is also benefiting the fruit growers generally. I trust that very soon there will be no need for us to import either preserves or jams.

Mr. Green: The local articles are as good as any of the imported.

Hon. J. MITCHELL: That is partly because our growers are experienced and skilful men, who produce good fruit. I know, of course, that the jam factories are being assisted.

The Colonial Treasurer: Pound for pound.

Hon. W. C. Angwin: The last jam factory took the State's money and kept it.

Hon. J. MITCHELL: That was before the present Treasurer came into office. We cannot afford to continue to send our money East. We cannot afford to continue indefinitely to load ships in Eastern ports with goods for Western Australia. Desperate efforts should be made to alter that state of affairs, and they must be made now. If private enterprise will effect the change, let private enterprise do it; otherwise, let the Government do it as far as they can. The Premier said that the policy of previous Governments had been wrapped up in expenditure. That, I think, was rather an unkind remark, because the inference is that there was lavish expenditure right through the past. In this State, however, a successful policy has never been backed up by lavish expenditure. I have already shown that the Customs revenue was not so great before Federation as it was for a few years after Federation. In those days there was a great deal to do; but, all the same, the expenditure was not lavish: it was wisely directed.

The Premier: You had no interest to pay then.

Hon. J. MITCHELL: The interest was building up then. The Premier was a member of the Government before Federation, and he probably knows better than I do what the expenditure was.

Mr. Green: Was not the Customs revenue per capita larger then than it was later on?

Hon. J. MITCHELL: There were, of course, very few people in the State then. My own view is that the influence of government is more important than the work of government. When the influence of government is on right lines, it means that private people are encouraged to invest their money, thereby benefiting all the people of the State. We ought to have as soon as possible a definite declaration as to what the Government intend to do. I want to be very candid. I am entitled to know, and I think the party and the country will want to know, what the Government are going to do.

The Premier: May I ask the hon. member what the public want to be told?

Hon. J. MITCHELL: They want to know what the policy of the Government is. I am endeavouring to speak temperately. I know the troubles of the Government and especially

of the Treasurer, and I do not wish to be unduly critical; but I consider I have a right and a duty to ask, what is the policy of the Government? The Government say they will tell us; but they do not tell us. I wish particularly to know what is their policy with regard to freezing works at Fremantle.

The Minister for Works: Plans are being drawn now.

Hon. J. MITCHELL: I want to know what is their policy regarding the Wyndham works.

The Premier: Do you want to know what colour we are going to paint the buildings?

Hon. J. MITCHELL: No; and the Premier could not tell me that if I wanted to know it. But the Premier has not told us when he intends to erect the Fremantle works. The Premier is the leader of a party of which I am a member, and I am entitled to be treated with courtesy. I consider that my attitude towards the Government justifies me in asking these questions. These are not joking matters. It is not pleasant to have to criticise, even in a moderate way, the Premier, having regard to my particular position. What we want is not only a policy, but a definite lead. We want a Government unanimous on matters which come before the House. The Premier has said that unfortunately the Government have to mark time in regard to new settlement. If there be a policy of mark time—we have heard of one before—with regard to new settlement, we shall drag the State further into difficulty.

The Colonial Treasurer: The Government have something like 600 farms on hand.

Hon. J. MITCHELL: Yes; but those are largely the farms of soldiers at the Front. We have many of these farms on hand, we always shall have some on hand I suppose. I would like to conclude in the words of the American Statesman, John Hay, when he said—"The people will come to their own at last, God will not be mocked forever."

Mr. ANGELO (Gascoyne) [7.46]: As I understand a certain amount of latitude is allowed in a debate like this, I should like to take an opportunity of replying to some comments which were made by the member for Albany as to the Gascoyne people in connection with the Gascoyne vermin board. Have I your permission, Mr. Chairman?

The CHAIRMAN: The hon. member must not refer to any debate in the House which has taken place this session.

Mr. ANGELO: That being the case I should like to mention that among the subjects of finance that have to be considered by the House is the question of the advance made to the Gascoyne vermin board. Some years ago, it will be within the memory of the House, there was a rabbit invasion approaching Western Australia. The people came to the Government and asked that something should be done to prevent the rabbits getting to the fertile parts of the South-West. Two fences were erected by the Government out of money found by the taxpayers of which the Gascoyne people contributed their share. Ever since the fences have been erected they have been kept in good order at the cost of the taxpayers, of which, again I say, the Gascoyne people paid their share. In 1908 the rabbits had got through the No. 2 fence, and the Gascoyne people

pointed out to the Government the serious menace the rabbits were becoming as far as the Gascoyne district was concerned. The Government said they had no money at that time, so the Gascoyne people replied by asking the Government to give them power to tax themselves, and when that power was given they formed a vermin board and borrowing the money from the Government erected their own fence. We put up 327 miles of fencing and protected not only the fertile plains of the Gascoyne, but also the lands adjoining in the north. Unfortunately, two years later came along the worst drought the pastoralists have ever known. Our flocks were depleted in some instances by one half, and in other instances by two-thirds. This drought continued for four years.

Hon. T. Walker: And the rabbits died.

Mr. ANGELO: They died for a time, but they did not die out for good. The drought continued for four years, and hon. members can easily imagine that the arrears of rates became rather high. On one station the amount totalled £700, on another £500, on another £300, and so on. The board composed of the pastoralists themselves at that time, found it was impossible to keep this board active, therefore they approached the Government and asked them to take over the vermin board's functions, but there was not a single suggestion of repudiation of the liabilities incurred when the money was borrowed from the Government.

Mr. O'Loghlen: When are they going to start paying off?

Mr. ANGELO: I will tell the hon. member in a moment or two how well they have paid up. According to the Auditor General's report, £70,849 was owing in June, 1916. The accumulated interest was £18,763, and I contend that after a drought of that kind, if the pastoralists had come to the Government and said, "We have had a bad time, these other fences have been built by Government money, why not take over our fence and look after it in common with the fences erected by the Government?" they would have been justified. But they did not do that. They said to the Government, "You run the fence for us and we will be responsible for the money borrowed." A small section suggested that the fence should be abandoned, but that the squatters in time would pay the capital. The Government lent a sympathetic ear and arranged that the capital arrears and interest should be extended over a period of 20 years, by which time the fence would have been paid for. At the end of 1916 the total amount advanced to the board had been reduced to £60,000. The interest paid by the board up to 1914 was £9,800; that is the money that had been paid. The interest paid since is £4,129. The amount of outstanding rates on the 31st was £6,576, but members will understand the rate had not been long struck, and a great portion of this has since come in. The arrears of rates due when the board took over the still outstanding only amounted to £844. This I can assure members is owing by squatters who have had a very bad time. There are only six in arrears now. They have been the victims of unfortunate circum-

stances, but I feel certain that by next year the whole of the arrears will have been paid off. Amongst these six who owe arrears is one man—the Minister for the North-West will know who I mean for the Minister is going into his case just now—who had a very bad time. The man I mean and his partner put every penny they possessed into the station. They started with 4,000 sheep, and after a number of years of operations they have only 4,000 sheep owing to the ravages of dingoes. I think the above facts should satisfy members that the constituency I represent does not consist of people who are in any way likely to repudiate any honourable engagement which they have entered into. I think now when the Government are anticipating the spending of large sums of money in keeping the rabbits down in the south, these people would be justified in coming to the Government and saying, "Now you are doing this for others, take over the fence, run it for us and write the debt off." I am not here as an advocate for such a thing. The people I represent have not asked for it. I am here to see that any apprehensions that may have arisen in the minds of members can be put out of sight, and I am only too pleased to be the spokesman in the House for a number of honourable men who are not likely to repudiate any engagement made by them. Having disposed of that little matter, I should like to speak on the subject of the Budget. We heard that the Government have not given us a policy. They have given us a policy; certainly it is very brief. We are told their policy is production and economy. The Colonial Treasurer has shown us how he intends to make certain economies, and has asked us to assist with others. Regarding the financial position of the State, the Treasurer and also the member for Perth have dwelt fully with that matter, and I shall not take up any time in repeating; therefore, I shall not dwell on that position at all. When I was elected to come down here it was well known in my district that I knew nothing about politics, but the people asked me to represent them because for 30 years I have been a business man; but when I do come down here I find that business acumen, as the leader of the Opposition calls it, is not so much required as political methods. From statements I have heard made in the House and conversations I have had with members, I find that if one suggests, say, the cutting down of the civil service or retrenchment, one finds one section of the House saying, "Hands off the civil servants." If one suggests the raising of the freights on the railways, another section says, "Hands off; you want to ruin our industries."

Member: What about State steamers?

Mr. ANGELO: If the railways had paid as well as the State steamers, the Treasurer would not have the deficit he has to-day. If we mention the subject of education, our friends opposite say, "That is right, go for the poor man again." What is the use of looking at matters from a business point of view, members do not want business con-

trol, it is all politics. Fortunately, I am not afraid; my friends will not worry me very much, therefore I am going to have a cut at some of the things if possible. Again, I was very sorry to see the member for Perth and other members when members were speaking look at the clock now and again. I think this debate should not be cut short in any shape or form. The time of the House has been wasted sufficiently on unimportant matters, and now we have come to the debate that is bound to be the most important of the session, every member should give full time to it, and not in any way cut out any suggestions they may have to make to suit the convenience of members. If the hon. member for Perth had continued his speech it would have been listened to with considerable interest and perhaps with advantage to the State. The Treasurer on speaking the other night said—

I desire to have a serious financial talk with the other 49 directors of the State, representing 300,000 shareholders, to point out where the leakage is, and solicit the counsel of every one of my co-directors in their collective wisdom as to how the position can be rectified alike in the interests of the State and of every individual person earning his or her living in the State.

This invitation should be accepted, and every suggestion that members can think of ought to be advanced. I intend to make suggestions which, perhaps at first blush, may appear unworthy of consideration, but I am going to make them in order to bring them under the notice of other members who, perhaps, possess greater abilities than myself; I will make them in the hope that the seed may bear good fruit and so result in advantage to the State. I shall not hesitate to make suggestions for the consideration of the Committee. The Treasurer has a herculean task before him. I doubt whether any other gentleman having the ability and the private means of the Treasurer could be induced to take the job, and so I think we ought to be grateful to the Treasurer for coming here and endeavouring to help the State. It is our duty to do what we can to assist him in his task. Here is one of the things the Treasurer has to bump up against: in this morning's paper appears an advertisement from the Commonwealth Government concerning the sixth war loan. The first sentence reads as follows:—

The $4\frac{1}{2}$ per cent. loan will be free of Commonwealth and State income tax, and will be exempt from the operations of the wealth levy, if any.

In another advertisement we find this—

Interest on the 5 per cent. loan will be subject to Commonwealth taxation, but will be free of State taxation.

I understand the Treasurer knew nothing about this. Here the Commonwealth, without even consulting the State Treasurer, throws in this bombshell. How is it possible for the Treasurer to frame his Estimates of Revenue and Expenditure when the Commonwealth Government, which should be helping us in a

truly Federal spirit, do a thing like this without consulting us? The Commonwealth is making a bid for the loose wealth of the people of the State, who, instead of spending or investing it in the ordinary way, or lending it to the State Treasurer for State requirements, will be sending it away for the Commonwealth loans, because they are free from State taxation.

Mr. Brown: We have to pay our share of the war expenses.

Mr. ANGELO: But is this a proper way to do it? Our Treasurer was in Melbourne a little while ago; why was he not consulted then?

The Colonial Treasurer: The legal authorities say that the Commonwealth cannot charge taxation on the State's bonds, and that the State cannot charge taxation on the Commonwealth bonds; therefore we could advertise a loan and announce that it would be free from Commonwealth taxation.

Mr. ANGELO: Well, that is all right. Anyhow, it does not get away from what I wanted to say, which is that nearly every avenue of taxation we have is being invaded by the Commonwealth, instead of being left for our purposes. However, I think the Treasurer will have something to say about this, and I am sure he will be able to hold his own. We now have the Estimates in front of us, but very few members know that, when first they came to the Treasurer from the heads of departments, the Treasurer wiped off some £60,000.

Hon. W. C. Angwin: That is only a fleabite.

Mr. ANGELO: If that be true, I think the heads of departments are not giving to the Treasurer that support which they ought to give.

Hon. W. C. Angwin: From the last Estimates framed for our consideration, we wiped off £500,000.

Mr. ANGELO: Prominent in the policy of the Government are the watchwords, "production and economy." The Treasurer tells us he is going to tax the insurance companies, and that the money thus raised will be spent on the development of secondary industries.

Mr. Lambert: Do you think that tax is sufficient?

Mr. ANGELO: I think the Treasurer has gone thoroughly into the question. The Premier, speaking at Moora, said that we must have, or if necessary borrow, money for increased production, and that only increased production could balance the ledger. I quite agree with the Premier in that respect. When I was managing a bank in the North-West, we had a customer whose account was stationary, neither improving nor going back. For years he was just about holding his own. In consequence, the bank got rather chary, and they suggested that I should see what his proposals were. So I said to this man, "It is a case of your having to close your account or go in for more sheep. I will recommend to the bank that you be supplied with money to put up more improvements and carry more sheep." He agreed to the proposal, the bank lent the money, and to-day that man is wealthy. I quote this incident as an illustration, in a small way, of what the State should

do. We must not stay where we are. Let us spend a little more money on production, and either save or borrow to do so. Of course the mistakes of the past should be carefully avoided. The Treasurer himself seems to concur in this opinion, for speaking the other day on the subject of the financial position he said,

One dread is ever with us, and that is that in realising our financial difficulties we may hesitate to spend money on works which present necessity, or future opportunity, may prove to be quite justifiable. In this respect the Government must adopt as a motto, "Neither rashly nor timidly."

That is what we must do, namely, follow out the policy of the Premier and spend more money on development, while at the same time taking lessons from the mistakes of the past. By these means we may be able to do something. Other members may make suggestions about production in other parts of the State, but I am only going to suggest increased production in that part of the State to which I belong. The member for Northam (Hon. J. Mitchell) gave us a glowing account of what the South-West can produce.

The Colonial Treasurer: You said you were going to dodge the political.

Mr. ANGELO: But this is local politics. The member for Northam boasted that he had started 300 irrigation schemes in the South-West.

Hon. W. C. Angwin: No. He said that 300 had been started; not that he had started them.

Mr. ANGELO: I can tell the member for Northam that if he were to tie a cowbell to each of his 300 irrigation schemes, and put them altogether in one corner of the Gascoyne district, they would be lost.

The Minister for Works: There are not 300 irrigation schemes down there.

Mr. Munsie: The hon. member said so all right, but he said they were small schemes.

Mr. ANGELO: I contend that we could profitably initiate one irrigation scheme at Gascoyne that would employ as many people as we have in Western Australia. During late years various Governments have sent experts to the Gascoyne. First we had Mr. Alex Crawford in 1912. Mr. Crawford, I believe, was one of the chief organisers of dairying in Victoria. I understand he is catching rabbits now.

Hon. W. C. Angwin: He certainly knows all about the dairying industry.

The Colonial Treasurer: He was a dairy expert in Victoria in my time.

Mr. ANGELO: Mr. Bath, the then Minister for Lands, selected Mr. Crawford as the most suitable man to go to the Gascoyne and report on its potentialities. Later on Mr. Despeissis, who is recognised as a most capable man, was sent up there.

Mr. O'Loghlen: Why did not the Government keep him?

Mr. ANGELO: It was your Government that retired him. Mr. Despeissis was sent up to the Gascoyne and the North-West, and from there was sent through all the tropical lands adjacent to the northern parts of Australia, that he might learn what would be necessary to the development of the North-West. He went there

to learn about things for himself, and to give us the benefit of his advice upon his return. After an expenditure of from £1,000 to £2,000 this gentleman came back and prepared to recommence his duties. He was immediately got rid of.

Hon. R. H. Underwood (Honorary Minister): He opened an office in Perth.

Mr. ANGELO: Later, Mr. Moody, who has visited nearly every irrigation scheme in the world, went to Gascoyne. Hon. members must have seen his report. He says that the Gascoyne contains the finest land for irrigation purposes in Australia. He states that the lands of the Gascoyne are more suitable for irrigation than any part of the Murray River country. He also says it is considerably better land than that of the Mildura settlement in Victoria. Mildura only contains 12,000 acres and there are 6,000 people settled on it. These people are producing £400,000 a year, which means £66 a year for every man, woman and child on that settlement. In the Gascoyne, we have an area which, in Mr. Moody's opinion, would settle over 100,000 people. No railways are required to develop the land, which is within five miles of Carnarvon, and the grading and clearing would not cost more than 15s. an acre.

Hon. W. C. Angwin: What about the water?

Mr. ANGELO: There is any amount of water, and it only requires to be dammed or pumped up. About ten acres would be ample for each settler. A gentleman from California recently arrived in Carnarvon, and told us that in California there were hundreds of settlements. Each man, he said, was allowed ten acres, and after these settlements had been going for a few years, these men were driving their own motor-cars, and making nearly £1,000 a year out of ten acres of land.

Hon. P. Collier: Why should we not go to California?

Mr. ANGELO: If anyone suggests any other part of the State other than the south-west he is laughed at. Apparently it is a matter of centralisation with members of the House. At any rate I am glad my remarks are being listened to so carefully. They seem to be sinking well into the minds of hon. members. I hope that the Government will shortly appoint a select committee, the members of which can go up and see for themselves what these lands are. With regard to freezing and canning works, I am grateful to the Government for doing what I requested they should do on behalf of my constituency, namely, sending up an engineer to report upon a scheme for Carnarvon. The Minister for Works has promised to let me see this officer's report shortly. I feel certain that if this work is undertaken it will be of great benefit to the State, and to Carnarvon and Geraldton in particular. The Premier in replying to a deputation promised that when money was available the Government would build works at Fremantle. We are rather disappointed at this, for we understood that there was no money available for the construction of freezing works, and the pastoralists of my district were hoping to raise sufficient money amongst themselves to do this work. Apparently the North-West is expected to find the money for everything.

Hon. W. C. Angwin: It did not find the money for the rabbit-proof fence.

Mr. ANGELO: We are paying that back. If we cannot raise quite as much money as is necessary, I feel certain, after the promise of the Premier, that the Government will lend a kindly ear to our necessities.

The Minister for Works: There is no money to lend.

The Colonial Treasurer: I am looking after the money for these industries. I will see that you get it.

Mr. ANGELO: I am glad to have that assurance. It is only what might be expected of the Treasurer, that he would help us up there. The eastern districts of this State have an assured market in the metropolitan area, for half the population of the State lives within a few miles of Perth. The late Administration spent a lot of money in an unbusinesslike way in trying to develop the fishing industry in Sharks Bay. If we get these freezing works at Carnarvon we will solve the problem in regard to the fishing industry, and this should result in the people of the metropolitan area getting fish at a more reasonable rate than at present. We have a gold mine in the Gascoyne called the Bangemall mine. This little field has never been properly prospected. I hope that some day the Minister for Mines will send up an expert, and I feel positive that if he prospects the area he will be able to develop a fairly good mining proposition. The other day the State Mining Engineer asked me what was being done with the splendid mica proposition that exists in my electorate. Unfortunately, we have never had anybody to teach us how to get that mica out of the ground. The local people who tried to work it used to put a plug of dynamite into the ground, blow up half a ton of ore, and send that out. If the Minister could possibly send us someone who understood how to mine this valuable product, I am certain that good would result to the State. The Premier said it would be very desirable if we could find oil in this State. The Government Geologist thinks that there is oil in the Gascoyne, and in some of our artesian bores there are very strong indications of its presence. I hope that the expert, who may visit the mining proposition I have referred to, may also find out something about the possibilities of oil being discovered. Members want to know where we are to get the people for the Gascoyne. I think we should be able to find them in our returned soldiers. We have sent 1,000 soldiers from the North-West. There are not three men left in the Carnarvon district, who could have gone to the war, who have not done so. If we have sent 1,000 men to the front we are entitled to some proportionate share in the repatriation schemes that are being formulated. If our men have left us to go to the front, surely, if they like to come back to us, they should be able to do so. I wish to commend to the Minister for Industries and other Ministers a little suggestion for settling 500 returned soldiers on the Gascoyne. In this scheme I mention the growing of bananas. We are paying at present £30,000 a year to Java for bananas. Indeed, we cannot get a quarter of the bananas that we could consume in this State. The reason why I mention

bananas is that these become productive within 18 months.

The Colonial Treasurer: Do they grow up there?

Mr. ANGELO: Mr. Moody says they are the finest bananas he has ever tasted.

The Colonial Treasurer: I do not want to know what Mr. Moody says; I want to know if they will grow there.

Mr. ANGELO: They grow there beautifully.

Mr. Lambert: Are they growing there now?

Mr. ANGELO: Yes. I wish to give an instance of the manner in which the North-West is considered in any proposal that is made. A little time ago it was necessary to have another stock route opened from Carnarvon to Ajana. There is some fear that if we do not get a good season these existing stock routes will be closed, and there are no steamers available at the present time. All we asked for was the sum of about £2,500 for the purpose of sinking three sub-artesian wells, between Hamelin Pool and Ajana. The Minister for Works sent the matter on the head of the Water Supply Department, and that officer wrote to me stating he very much regretted that no money was available. I consider that the head of a department has no right to decide on a proposition of this sort, for he does not know the conditions.

The Minister for Works: He did not decide it. If I had not the cash how could I do the work?

Mr. ANGELO: I have his letter, in which he says that the work cannot be done because there is no money.

The Minister for Works: That is clear.

Mr. ANGELO: Mr. Chas. Butcher, who is one of our experienced pastoralists, came down that track and he stated that there would be three million acres of land available on which to depasture sheep immediately the track is opened. That means £3,000 a year in rent. In addition to that we have the Minister for Railways crying out that the Ajana railway is not paying. I can safely say that if the Government had looked at this proposition in a business light, the money spent would have been returned in six months. But that is only how many of our business propositions are treated. Surely loan money should be available for a proposition like that, a proposition that is going to bring back the capital with something like a 200 or 300 per cent. return in two years.

Mr. Troy: How many squatters would be served?

Mr. ANGELO: About a hundred.

Mr. Troy: Well, why do they not subscribe the money; it would be a mere flea-bite to them.

Mr. ANGELO: If these bores are put down, it will mean the opening up of three million acres of country, which will be immediately taken up, and that surely should be payment enough. The second part of the Government's policy is that dealing with economy. The Treasurer made a suggestion that Ministers and members should agree to a 10 per cent. reduction in their salaries and allowances. I consider that a most excellent suggestion, but it is not far-reaching

enough. This 10 per cent. reduction should apply in a temporary way only to the whole of the civil service. The member for Perth (Mr. Pilkington) stated that any reduction in the salaries of the civil service would mean an increased tax on that section. But I ask is there one hon. member in this House who has a private business and whose income has not suffered since the war began? I doubt whether there is one out of 10 people in this State with private businesses whose income has not depreciated at least 10 per cent. if not more.

Mr. Lambert: The North-West squatters excepted.

Mr. ANGELO: The Treasurer speaking the other day made use of these words, "The staff which we must keep are probably, in many instances, capable of doing nearly twice the work they are doing to-day, but it stands to reason that our overhead charges, as they are recognised in commercial life, must still continue, even if the volume of work at the present juncture might suggest dispensing with the services of a number of officers, which services would be immediately required if the future suddenly brightened." The Premier said something of a similar nature. He declared that if we started to cut down the civil service things might brighten, and in a couple of years we would be glad to have these people back again. That means that if we dispensed with the services of some of these people who know their business to-day, they would take up other occupations and when conditions brightened again, we would have to get others to come in and learn the business. I have been associated with financial institutions and I was on the staff of one during the crisis, when the banks had a very bad time. There were only three banks that weathered the storm. The one of those three to which I belonged called a meeting of the directors and it was decided that retrenchment would have to come about, but instead of cutting down the number of the staff it was agreed to reduce the allowances by 10 per cent., and the staff were asked to agree to that reduction.

Hon. W. C. Angwin: There was no big increase in the price of food and clothing then.

Mr. ANGELO: The salaries being paid then were only half what they are now. Immediately the order came along for the reduction there was a great amount of grumbling, but no one resigned and no one committed suicide. Within a month everyone was reconciled to the position. It was only a temporary affair, and as soon as conditions brightened all the original salaries were restored and increases were granted as soon as the banks were in a position to give them. If such a thing were done now with the members of the civil service, who must recognise the hard times the State is up against, I am sure they would loyally abide by the decision. It would only be a temporary expedient to adopt and the service would no doubt benefit at a later date. This action would result in a saving of between

£30,000 and £40,000. It is well worth considering. It would not interfere with the desire of the Government to dispense with the services of surplus officers. Another thing I would draw attention to, and it is that if we adopted this proposal there would not be so much need to dispense with the services of officers, and the payment of retiring allowances would not be necessary. The Treasurer the other day stated that in many instances when we retired officers, the retiring allowances provided for under the Public Service Act amounted to a larger sum total than the saving effected for the year, and he added "We have always that to think of when we are trying to get rid of a man and we have to ask ourselves how much is it costing us for a pension or retiring allowance." If the suggestion I have put forward that a temporary—I emphasise the word "temporary"—reduction of 10 per cent. be made, the Government would not be faced with the question of bringing about retirements.

Mr. Lambert: Why penalise the poor civil servants alone; they have already been penalised.

Hon. T. Walker: They are taxed like everybody else.

Mr. ANGELO: I, too, have to pay income tax, but my income outside that of Parliament has gone down considerably more than 10 per cent., and I think every other member of the community has suffered to a similar extent.

Hon. T. Walker: The cost of living has gone up for the members of the civil service.

Mr. ANGELO: It has gone up with me, too.

Hon. T. Walker: Not in the same proportion; you belong to a great financial institution.

Mr. ANGELO: Unfortunately I do not.

Mr. Lambert: What about the poor squatters whose incomes have increased about 50 per cent.?

Mr. ANGELO: The hon. member is quite at liberty to bring along all the proposals he can to deal with the squatters. I want next to refer to the education vote. The amount of this vote appearing on the Estimates is £360,048, but there are some other items to add to that. The university is not included. The amount set down is £13,500. Then in the Estimates of the Works Department we find that there is a sum of £15,000 put down for new buildings and improvements and renovations. Then if we turn to the Mines Department Estimates, we find there for educational purposes, the School of Mines, etc., £4,250, and then in the Agricultural Department another £3,000 for professors and experts, making a total of about £400,000. The member for Perth has suggested that the vote should be reduced by £150,000. I have a great deal of sympathy with that suggestion, but at the same time I support the reduction with a great deal of regret. We have at the head of the Education Department a Minister who has very high and laudable ideas for the uplifting of the community. Unfortunately, however, his advent to power has

fallen on troublous times. And I am afraid it will have to be the duty of the House to curtail that Minister's ideals in this direction. I hope, however, when times improve and money is more plentiful, that the same Minister will be filling the same post and will be able to carry out his high ideals.

Mr. Nairn: Which section of the education vote would you cut down?

Mr. ANGELO: I will come to that presently. The Treasurer said the other day, "Personally, I confess that it is difficult to bring to bear upon this matter a purely unbiassed opinion, in that at the present time I am obsessed by the money side." But he went on to say that he considered those who differed from him were taking a higher and nobler view. About 15 years ago I went to the North-West with a young family. After I had been there some time, the question of educating my children had to be considered. Unfortunately, at that time I had no financial institution behind me. I was, in fact, hard up, and, further, I owed a little money. I thought the matter out, and asked myself, "Have I the right to send these children to Perth to be educated?" It was what I should have liked to do; it was the height of my ambition. But, taking into consideration that I owed money outside, I thought I was doing the more honest and more honourable thing in giving my children the education that local conditions afforded. I therefore had to deprive myself of the pleasure of sending them to Perth to be educated. Now, I consider this State is in the same position as I was in 15 years ago. The State owes money—considerably more than ever I owed. I could see my way out of my little difficulties, but for the life of me I cannot see a way out of the difficulties of the State. If it would have been dishonest and dishonourable on my part to spend money that I owed, upon having my children educated in Perth, is it not dishonest and dishonourable for the State to spend more than it ought on the education of its children? The question is, how can the vote be reduced? The leader of the Opposition has made an excellent suggestion, but of course it would not suffice to reduce the vote to what it should be. The member for Perth has suggested that the matter should be left to the Education Department to settle; that the department should decide how the economies are to be effected; and I think that hon. member has taken the right view of the matter. Suppose I had 20 yards of cloth and took it along to a tailor, and said, "I want you to make me a couple of suits of clothes and an overcoat." He would say, "There is not enough cloth to do it." Then I would not dictate to him how to cut the cloth. He is the experienced man, and I would say to him, "Here is the cloth; do the best you can, and get the best results." In the present Minister for Education we have a gentleman who has devoted years to the study of education in this State.

Opposition members: No.

Mr. ANGELO: Yes, he has. I doubt whether we shall ever get a Minister who will do as well.

Hon. R. H. Underwood (Honorary Minister): All he thinks of is spending money.

Mr. ANGELO: In the permanent head of the department also we have a man who has devoted his life to education.

Hon. R. H. Underwood (Honorary Minister): And he spends all the money he can possibly get.

Mr. ANGELO: The Honorary Minister is helping me in my argument. He says these two gentlemen think of nothing but spending money to realise their ideals. Let us cut them down. Let us give them their cloth.

Hon. R. H. Underwood (Honorary Minister): Let us cut them out first.

Mr. ANGELO: I am surprised to find the Honorary Minister going back on his colleague.

Mr. Munsie: That is nothing in this Government.

Mr. Troy: Did not he go back on us?

Mr. ANGELO: It is too late now to do anything to economise. No reduction can be made in this financial year's expenditure. By the time this debate is over, there will be only two months to go. But I think we ought to indicate to the Minister for Education that as from the 1st July next this State cannot afford more than a quarter of a million per annum for education.

Hon. R. H. Underwood (Honorary Minister): Make it as from the 1st March.

Mr. ANGELO: No; let him go to the end of June. After that, give him his cloth and let him cut his coat accordingly. The Colonial Secretary said recently that no such economy as the member for Perth suggested could be effected without a complete abandonment of the educational policy of the country; and the hon. gentleman added that if that policy was to be abandoned, even temporarily, it must be done by Parliament. He concluded by stating that the responsibility of such an alteration must rest upon the direct representatives of the people in Parliament. I am prepared to take my share of any responsibility in the matter. With the finances of the State as they are to-day, we have no right to spend more than a quarter of a million annually on education, if we have the right to spend even that.

Hon. T. Walker: Education is the safest investment you can have.

Mr. ANGELO: I quite agree with the member for Kanowna on that point; but, if we have not the money to invest, how are we going to invest it? And we have not the money.

Hon. T. Walker: Sooner than cut down the Education Vote we ought to go without tucker.

Mr. ANGELO: I was rather surprised to hear the Premier remark that it would be better to run against the rocks with a people educated than with a people uneducated. I cannot agree with him. My idea is that the better course is by temporary economy and retrenchment and honesty to avoid the rocks altogether. Afterwards, when we have been piloted into smooth water, we can make up our educational leeway. Next, let us take the Police Vote, £133,307. Many members have expressed the wish that this Vote might be cut down, but none have advanced any suggestion how it is to be done. I may say I was recruiting

officer at Carnarvon for two years, and during that time two police stationed in the district applied for leave to go to the Front. The instructions from the Commissioner of Police, however, were that these men must not enlist without his consent. They wrote for his consent. It evidently was not forthcoming, because the two police have not yet gone to the Front, although they are still desirous of doing so. My belief is there are a number of police desirous of going to the Front. In my district there are two out of seven. Perhaps the proportion is not equally great in other parts of the State, but I feel sure many members of the force would like to enlist. In England we find a number of gentlemen, whose time is not fully occupied, doing the work of honorary police for the period of the war. I would suggest that a circular be sent round among the police asking each one of them whether he would like to go to the Front; and at the same time requests should be made through the Press for the names of any gentlemen with unoccupied time who would be prepared to carry out police duties until the war is over.

Hon. T. Walker: Would you volunteer for police duty?

Mr. ANGELO: I certainly would. I would not mind giving up two or three hours every morning to helping the State in this strenuous time. The results of the circulars I have suggested might be that 500 constables would be found willing to enlist, and that 500 gentlemen were prepared to take the places of those police temporarily. If Constable Green is prepared to go to the Front, I am prepared to carry out his duties in this Chamber. There are large votes for Works, Mines, and Lands, and I hope other members will have important suggestions to make on these Votes. But there is one Vote here on which I really must comment; and that is Health, £163,478. Further, there is Lunacy £64,246. The Treasurer in his Budget speech said that here again there was room for searching inquiry. Later he said, with regard to hospitals, that the Government felt convinced that the generosity of the State in this direction was being abused—that many people were availing themselves of the conveniences, etcetera, attached to our hospitals who could well afford to pay. He proceeded to say that expenditure on hospitals came to no less than £57,865, while the fees and donations amounted to only £7,193; so that the net cost of the hospitals was £50,672. I have taken from the report of the Department of Public Health a few figures showing how the hospitals are cutting into the Medical Vote. I am going to start with the Carnarvon hospital, because there is nothing like commencing at home in such a matter as this. During the last financial year the Carnarvon hospital treated 145 patients at a gross cost to the Government of £1,847, while the fees and donations totalled only £122.

Hon. W. C. Angwin: The doctor was paid, in addition to that.

Mr. ANGELO: That makes the case worse. The next constituency to which I direct attention is Geraldton. The record of Geraldton is a good one, comparatively speaking—219 patients, gross cost £1,877, fees and donations

£637. Geraldton collected £1 for every £3 spent. How does that compare with Carnarvon, and £1 collected for every £14 spent? I will presently state the reason for the position at Carnarvon. Hon. members must not blame the people of the Gascoyne district. Now I come to Kalgoorlie—1,350 patients, cost £10,627, collections £1,581 only. Then I come to Wyndham—19 patients, cost £1,339, and only £88 collected. Why? I shall explain why. In order to save argument later on, I will admit that the country hospitals do not show nearly so badly.

Member: Now compare Meekatharra and Cue.

Mr. ANGELO: I have not the figures relating to those centres. In this connection I have a suggestion to make, and I hope it will receive consideration. It is this: I should like the Minister in charge of the Health Department to appoint in each town where there is a hospital an honorary committee consisting of the Resident Magistrate, the head of the police—because the police can fossick out a lot of information—and a business man, perhaps the mayor or the chairman of the roads board. These gentlemen should be supplied by the principal of the hospital with a list of the patients who have not paid. They should be enabled to make inquiries as to whether the patients can afford to pay and if these patients can pay, they should be made to pay. And the committee should be empowered to obtain information as to the financial position of these patients from any financial institution in the State. I am sure, if such a system was brought into force, instead of it costing £50,000 to run these hospitals, the cost would not amount to £20,000. I know of cases where men have come from the bush with cheques in their pockets, anxious to go into hospitals, and, unfortunately, they have stopped at a pub on the way and when they have gone to the hospital it has been at the Government's expense. There is a number of people in the back part of the State who have received hospital treatment who can well afford to pay and they go boasting about the fact that they have not paid. It should be left to the committee to make inquiries as to whether these patients have the money, and, if so, they should be made to pay. Many of the medical men attached to the hospitals are entitled to charge fees on their own account. Are we certain that these officers do not get their fees before the hospitals get theirs? I think the whole of the money should be pooled and the medical man should then get his share. While speaking on this vote I should like to say that, in many of the out-of-the-way places, maternity homes are badly required. We have a number of noble women who go out into the back parts of the State working their hearts out and making comfortable homes for their partners. They get all the work and very little of the advantages and the Government could well afford to erect maternity homes, especially where a hospital at present exists. I have made a request that one of these homes should be erected in connection with the Carnarvon hospital. It would not be an expensive affair, simply a bungalow, and it would show these noble women who are living in the back

blocks that the State appreciates the action they are doing in their pioneering work. As far as the doctors are concerned, the time has arrived when their fees and travelling allowances in the out-of-the-way places should be fixed by the Government.

Hon. T. Walker: You cannot get doctors even with the high fees.

The Colonial Treasurer: It is impossible to get them.

Mr. ANGELO: Well, all I can say is that as soon as we can get them, something should be done. Now I come to the question of the railways, and I am afraid they are run on political lines and not on business lines. But they should be run on business lines. Some members may not believe it but there is a railway in my district. It runs from the jetty to the town, a distance of three miles, and, unfortunately, the engine, when steamers are coming to the jetty, is sometimes taken for a coffee pot. It is the only paying railway in the State. It has made a profit every year it has been in existence, and last year it made a profit of £1,500. The other day the merchants received a circular saying that from a certain date all fares and freights and handling charges would be increased 20 per cent. There was not a single complaint made against the action of the Government but I took the trouble to ask the reason. I said, "What has happened to the railway?" and was asked "What did you make last year?" When told £1,500, I asked "Why do you put up the charges?" and the reply was "Because you might make a loss next year." You see they anticipated a loss. In regard to the State steamers, last year the Government put up the fares and the freights. But there was no complaint made along the North-West coast. The people in the North-West recognise the State is up against troublesome times and they recognise that they must now pay a little more for their public utility. But what happens down here? We find that before the Government have a chance to put up fares and freights the people cry out, especially the Country party. And let me say a word about the Country party here. Look at the money which has been spent on agricultural railways, look at the money which has been spent in connection with the Agricultural Bank, the Industries Assistance Board, and the two Royal Commissions which are now sitting, which I trust will terminate their labours very shortly. Commissioners have laid down orchards too, only to be pulled up. I doubt whether an industry, which requires constant bolstering, is worth carrying on at all. Let these farms be turned into large squatting propositions; let there be large areas, and it would make all the difference. I very much regret that the motion which you, Mr. Chairman, moved the other day, that sectional railway returns should be supplied, was not carried. I was anxious to get that return, but the Minister for Works, in speaking, assured the House that any return given would not be a complete return and, further, he said it would cost ten times what the Colonial Secretary had estimated that it would cost, say £400. On the direct assurance of the Minister for Works I voted against the return being supplied, because I accepted his assur-

ance. But I have been told since that the Minister was only throwing dust in my eyes.

The Minister for Works: Mr. Chairman—

Mr. ANGELO: I am perfectly willing now to take the assurance of the Minister for Works, as I was that night, but I trust, while I am occupying a seat in the House, we shall never hear of Ministers trying to throw dust in the eyes of members. I do not believe it for a moment but on his assurance I voted against the motion. At the same time I regret that the return was not supplied. It would have enabled the House to say where the increased freights should come from. At the present time we have nothing to guide us as to where to increase the freights. Take the first class fare from Perth to Fremantle which is 1-1/3d., second class five-sixths; Perth to Beverley, 2d.; Perth to Kalgoorlie, 2d.; second class five-sixths; Carnarvon to the jetty, 6d.

Hon. W. C. Angwin: What do you mean?

Mr. ANGELO: Per mile. That shows that Perth and Kalgoorlie should be taxed for their fares considerably more than the country people. When we consider that the metropolis and the suburbs have all the luxuries—trains for half what is charged elsewhere, excursion fares for practically nothing, if there is to be an increase in the fares and freights they are the ones who should bear them first. Not long ago we used to pay 2s. 6d. for a fare between Perth and Fremantle, now it is 1s. 11d. There is a reduction of 7d. The Railway Department ought to be made to pay. It is useless to have Government utilities of this description and the taxpayers all over the State have got to find the money to keep them going. The Colonial Treasurer said the first thing the Committee have the right to ask is, where the leakage comes from, and his reply is practically our railways and our deficit. The deficit is caused by the building of railways, so that the whole thing comes down to the railways. Nearly all our troubles at the present time are caused by the huge railway development that is taking place. The Colonial Treasurer said the railways and interest on deficit amounted to £609,000, and the anticipated deficit was £900,000. We must arrange to stop the leakage. The Premier in November last promised members that they should have an opportunity to discuss railway freights and fares and it is up to the Government to bring along their proposals as soon as possible, so that they may be in force by the 1st July at the latest. The unimproved land tax is a matter I am pleased to hear the Treasurer anticipates bringing forward this session. I think it is ridiculous for the country to have unimproved lands within 30 or 40 miles of Perth and still we are building railways 500 and 600 miles away. Only recently I passed through to Pinjarra and I was shown land which is held by people so as to get bigger prices for it later on. And whilst these people are holding these lands unused we are building railways 500 miles away. The other day I was accompanying the member for Albany (Mr. H. Robinson), who, within a few miles of Albany, pointed out to me huge tracts of land

belonging to an absentee owner. It is well known to all that there are unused to-day immense tracts of land alongside railways which were existing railways years before the later lines were ever thought of. I think a tax could well be imposed on all those unused lands. The member for Perth (Mr. Pilkington) suggested a tax on liquor. I think it a very good thing to tax. The liquor traffic of the State amounts to £2,300,000 per annum, and the hon. member suggests a tax of one penny per glass. I do not know whether that would be workable, because I scarcely see how the penny is to be collected. Alternatively I suggest that all existing license fees of every description should be trebled. I am not hitting at the holders of those licenses, because I have asked several of them what they thought of the suggestion, and they approved it, remarking that they would pass the tax on to the consumer. Still, we should not stop at liquor. Look at all the other luxuries awaiting taxation. Take cigarettes, cigars, tobacco. Personally I would not mind paying an extra penny on my tobacco, and the aggregate tax would mean a considerable amount.

Hon. T. Walker: That could not be done; it is excise.

Mr. ANGELO: Well, there are the motor cars, a distinct luxury. Sometimes, of course, a motor car is used for business. But what business is there sufficiently large to run a motor car which could not pay £2 per annum? I have a car, and I shall be quite willing to pay a £2 tax on it, and I am quite sure all other owners feel the same way about it. Again, there is room for a tax on receipts. Every man receiving a wage should put on the receipt a penny stamp for every £1 he collects. The merit of that tax is that it is easily collected. A boy getting £1 per week would be glad to pay his penny towards the revenue of the State.

Hon. T. Walker: And if he gets a guinea?

Mr. ANGELO: Let him pay twopence.

The Colonial Treasurer: I am not missing much in that respect.

Mr. ANGELO: I think the Treasurer would be well advised to alter the Taxation Act so as to make the fines chargeable under that Act very much higher than they are. If he will compare the fines levied under the State Act with those imposed under the Federal Act, he will find that the Federal Act provides for much higher impositions. On the subject of State steamers, I would enter a plea for the North-West. The State steamers are just as essential to the development of the North-West as are the railways in relation to the development of the southern districts. But there is this difference, that while the railways are showing a huge loss, the State steamers on the north-west coast are paying. Even if they did not pay they would only be on a par with the railways. Without the State steamers it is impossible to develop the North-West.

Mr. Smith: What about a railway to Carnarvon?

Mr. ANGELO: As soon as you give us a railway I shall be very pleased to vote for the abolition of the State steamers. In regard to the State Implement Works, I am assured by the Minister for Works, and also by the member for North-East Fremantle (Hon. W. C. Angwin), that in a very short time they will be paying.

The Minister for Works: I do not think I said that.

Mr. ANGELO: You gave me that impression.

The Minister for Works: What I said was that they were improving.

Mr. ANGELO: Well, if they continue to improve they will soon reach that happy position so long awaited by the member for North-East Fremantle. The brickworks, the ferries, and the quarries are all paying.

Mr. H. Robinson: The brickworks are a dead loss.

Mr. ANGELO: The Treasurer says that he expects from the brickworks during the currency of the year cash amounting to £254.

Mr. Smith: Why are they shut down?

Hon. T. Walker: Because there is no building going on.

The Minister for Works: That is revenue received for stock when sold.

Mr. ANGELO: At any rate, if these trading concerns are paying and the Government have decided to get rid of them—

The Colonial Treasurer: We will not get rid of any of the steamships. If I had a few more of them there would be no deficit.

Mr. ANGELO: I am not including the steamers; hands off the State steamers. I am referring to the sawmills, quarries, brickworks, and the like.

Hon. W. C. Angwin: The sawmills are paying handsomely.

Mr. ANGELO: It lends the stronger support to my argument. The Government have decided to get rid of all these concerns. The Minister for Works explained the other day that this is the policy of the Government, and that all they are looking for is a customer. If those several trading concerns constitute a good asset, and if notwithstanding this it is the desire of Ministers to get rid of them, why not hand them over to the returned soldiers, to be worked on a co-operative basis? These men are most deserving men. All we think of at the present time is settling them on the land. Surely some of them would like to engage in other occupations.

The Colonial Treasurer: We propose to put 500 of them in the G scone district.

Mr. ANGELO: I suggest that these State works should be handed over to the returned soldiers, to be worked on the co-operative basis. If these works constitute a good asset, why not give them to the most deserving section of the people?

Mr. Smith: Are you in favour of penny sections on the trams?

Mr. ANGELO: I do not know anything about the trams. I conclude by asking the Government to give my suggestion a little consideration. A board of control might be formed to take over these several works on behalf of the returned soldiers. Under my scheme none but returned soldiers would be engaged in the works, with the qualification that any posts suitable to women should be filled by the wives and sisters of returned soldiers. I sincerely hope that Ministers will give consideration to this proposal.

[The Deputy Chairman (Mr. Piesse) took the Chair.]

Hon. W. C. ANGWIN (North-East Fremantle) [9-27]: The member for Northam (Hon. J. Mitchell) pointed to the great works Lord Forrest had carried out in the early days. The hon. member forgot to remind us that Lord Forrest is the only man we have had in Western Australia. I know this, because certain members of the Perth Chamber of Commerce who waited on Lord Forrest when he came to Perth at the time of the opening of the Great Western Railway, used these words:

It was a great pity that when Sir John had left them for the East he had carried away a monopoly of the thought which had conceived such great schemes, and had left only a few starved intellects which had risen to no greater heights than fish shops and brickworks.

Clearly, therefore, it is impossible for those left behind to follow in the footsteps of Lord Forrest, because he is the only man associated with Western Australia having a sufficiently fine intellect to conceive such schemes as the Great Western railway. I think we can, to a large extent, sympathise with the regret expressed by the Treasurer that a taxation measure carried in the Assembly some years ago did not become law. If it had succeeded in passing both Houses, the Treasurer would not have found himself in the position in which he is placed to-night. There is no doubt that taxation has been required here for some years. I am reminded of the period when Mr. Daglish was Treasurer of the State. He suggested in 1904 that there was necessity for a tax on unimproved land values, and upon incomes as well. Those who were on the same side in politics as Mr. Daglish is now did not agree as to the necessity for this taxation. In 1905 they appealed to the country and were returned to power with an overwhelming majority against increased taxation. They were not in office more than a few months when they introduced the very tax for which they had condemned Mr. Daglish. The same thing applies to this House to-day. I wish to exempt the Treasurer from this because he voted for the tax as introduced later, and was almost kicked out of the leadership of the Country party because of his attitude. Other members of the Ministry of to-day opposed this taxation strongly, and induced their friends in another place to throw it out altogether. The result is that the Treasurer is to-day not in possession of the money necessary to carry on the affairs of the State. The taxation was not so necessary then as it is now, so far as the wiping out of deficits is concerned, but it was necessary if the many works that were required throughout the State were to be carried on. I sympathise with the Treasurer, knowing as I do that almost every hon. member here has had from time to time to comply with the requests of the districts they represent, and ask the Treasurer for money for certain works. Year after year it has been found necessary to cut down the Estimates considerably, as they have been presented to Ministers by departmental officers, because the money has not been available. The member for Gascoyne (Mr. Angelo) said just now that an officer had no right to send in a recommendation. The custom for years has been for deputations to wait upon Ministers. A Minister may say that there is no money for the work, but may mark it for next year's Estimates because he realises the justice of the scheme. When a work is marked

for the following year's Estimates, the Under Secretary of the department in preparing his list of expenditure, brings forward such items in order to ascertain if the money is available. That is the time when a Minister is supposed to assist the Treasurer in putting in the pruning knife as far as possible. This is how large sums of money come to be placed on the Estimates as they are laid before Ministers, and this is the time when they have to be considerably reduced. Mr. Scaddan told me that in his last year of office the Estimates were cut down by £400,000 or £500,000. I remember that on the occasion of the preparation of our first Estimates a considerable sum of money was asked for, more than could be raised for the carrying out of the works in question. The member for York (Mr. Griffiths) complimented the Treasurer on the good work he had done recently in the Eastern States. I was rather disappointed in it. When we adjourned we had reason to hope from the statement of the Premier that the Treasurer would bring something back from the Eastern States which would assist us in our financial difficulties. We had the greater reason to think this because on the 18th January the Treasurer sent a telegram to the Premier in which he stated that he had had a long interview with the Prime Minister on the Tuesday, and expressed the opinion that this would result in a much better understanding in the future between the State and the Commonwealth. He also pointed out that there was a reasonable possibility of having the 25s. per head paid over in connection with our soldiers who have gone to the front, although there was not much prospect of the payment being made retrospective. In commenting upon that wire the Premier said—

Under the present circumstances and considering the reception given to the Treasurer by the Prime Minister, who considered that Western Australia should not be penalised for any reason, Mr. Gardiner had every hope of satisfactorily settling several contentious matters now outstanding.

The Colonial Treasurer: The Treasurers contend that legally we should get back the whole of that 25s.

Hon. W. C. ANGWIN: Upon his return the Treasurer made a statement to the House. In my opinion, that statement did not bear out what this wire seemed to convey. I have some sympathy with the Treasurer in the attitude he adopted in introducing the Estimates. At the time he was making his statement, leaving out the question of loan authorisation which could have been managed from here, I placed his requests under 12 heads. First of all, the Treasurer made a claim for a share in the £251,000 wrongly taken by the Commonwealth Government under the Surplus Revenue Act.

The Colonial Treasurer: I think it was £221,000.

Hon. W. C. ANGWIN: The result of that request is doubtful, and will have further consideration. Second, the claim for 25s. per head for our soldiers, result doubtful, will have further consideration; third, repatriation for soldiers on return, result unknown, another conference; fourth, amalgamation of several Federal and State offices, result nil; fifth dealing with the load line for ships, result, further consideration; sixth, port and harbour dues on transport, result, another conference; seventh, uniformity in taxation returns, result, another conference; eighth, interest on transferred properties, no result; ninth, stoppage of payment of

customs duties on State imports, result, postponed to another conference; tenth, old age pensions and charitable institutions, result, another conference; eleventh, payment by Commonwealth Government for legal services rendered, result, nil; and twelfth, the other delegates scratched the Treasurer's back and the conference closed. It will be seen that so far as the Treasurer's conference was concerned, there was very little result which affected the finances of Western Australia.

Hon. P. Collier: There is a busy time ahead for more conferences,

Hon. W. C. ANGWIN: To finish the work of his visit, he found it necessary to deal with one or two matters which affected Western Australia in particular. He was so sure that the promises of the Prime Minister were genuine towards Western Australia—very few of us agree that these promises can be relied on—that before leaving Melbourne he threatened to issue a writ for the payment of £15,000 for police special services. Is it any wonder that the Treasurer upon his return to the State was downhearted, or any wonder that he introduced the Estimates in a doleful manner, or that he had the complaint commonly known as the blues, which he transmitted throughout the length and breadth of the State? Almost every man who read the Budget Speech next morning came to the conclusion that we were down and out, and that if we were not out we were certainly down. One well-known newspaper in this State felt the effects of the Treasurer's statement and got the blues so badly that in its next issue that journal, the "Sunday Times," which always came out in a perfect pink condition, came out, for the first time in its history, with the title of the paper printed in blue. We cannot wonder at this, because this was the journal of all others in the State which had contended for some time past that we should have a change of Government, and that immediately we had that change the deficit and everything else in that direction would disappear and the State flourish again. Their comments upon the Budget in that issue ran like this, "The Gordelpus Government," "Gardiner's Budget," "Dreary and Disappointing." There is no doubt that so far as the Press was concerned, they became affected with the fit of the blues which had attacked the Colonial Treasurer in the Eastern States. The Premier in speaking the other day, said—

We are twitted with being responsible for the deficit, a deficit brought about, I will say, principally by the war. I am not going to charge hon. members opposite with the deficit. I am generous enough to say from my place in the House that hon. members opposite were just as honest in their desire to advance the interests of Western Australia as those on Ministerial Benches at the present time. Had it not been for the war Western Australia would have been in a very different position to-day

We thought at the time that this was a very generous statement. We knew it was a true statement. Unfortunately, some of the Premier's political persuasion immediately attacked him in the Press, and we had three or four columns on the subject. The Premier then thought he had made a mistake, and that it was necessary to change his tune. He was not long in doing so. He said that he had been taken to task in making a certain statement and added—

The position is brought about by the large loan expenditure. We have spent in six years some 18 millions.

When the Premier made that statement he was only following the example of one of his colleagues, about whom I regret to say I have previously had occasion to complain on the score of his not having been particular as to whether the statement he made was accurate or not. If the Premier had only looked for himself he would have found that during the last five or six years we have not spent 18 millions of money. On June 30th, 1911, the public debt of the State was £23,703,953. On 30th June, 1916, the public debt was £39,139,676 making an increase of £15,435,723, and not 18 millions. There was left in cash when the Liberal Government took office nearly a million of money, or £333,698. This brought the increased indebtedness of the State on 30th June, 1916, to £14,602,025, and not 18 millions. Hon. members will thus see that the statement made by the Premier was incorrect. There was no necessity to make such a statement, even to please those of the same political faith as the Premier. Hon. members on this side desire fair play at all times and the truth as well, and if this had been given, hon. members would not be in such large numbers on the Ministerial side of the House at the present time. Perhaps the Premier is not always particular as to whether or not he makes correct statements, though on this occasion he may have spoken as he did unintentionally, but as there are so many members who may be likely to be led away by what was said, it is necessary that I should make a few remarks on what occurred previously. The charge of extravagance in regard to loan expenditure is frequently made against us. We have been told that we had no right to spend the money we did during the period we were in office. How many members, however, realise the liabilities which were left to those who were associated with me at the time the Liberal Government went out of office in 1911? In the last session of Parliament, prior to the general election of 1911, no fewer than twelve new railway Bills were passed. All those measures were passed for the express purpose of enabling the then retiring Government to get back to power for a further term, and those measures, together with the lines then under construction, represented approximately 900 miles of new railways. Hon. members will therefore see that to carry out such a big policy of railway construction, the policy of the Liberal Government, it was necessary to embark on heavy loan expenditure.

The Minister for Works: But not to the extent of £15,000,000. Those railways cost about £3,000,000.

Hon. W. C. ANGWIN: In addition to the expenditure on new railways there was other large expenditure. The present Minister for Works was then retiring from the position of Commissioner of Railways. The Government had no further time for him as Commissioner of Railways.

The Minister for Works: You have no right to say that.

Hon. W. C. ANGWIN: His time was expiring and it was necessary to make a new appointment. The hon. member, when Commissioner of Railways, endeavoured to keep the railways in proper order and when his period of office expired and it was not intended to re-appoint him, it was necessary for the Government of the day to give some reason for not asking that gentleman to again accept the commissionership for a further

term. When the new commissioner was appointed it was agreed that £500,000 per annum would be saved in the management of the railways. What was that done for? It was done to prove that the retiring commissioner had been guilty of extravagance. But since then the railways had been neglected, repairs had not been effected, the system had been starved, no rolling stock had been purchased, and scarcely anything was done until the advent of the Labour Government, and it cost that Government close on one million pounds sterling to improve the affairs of the working railways. In addition it cost close on another million pounds sterling to provide rolling stock.

The Minister for Works: To make the story complete, tell the House how I found the railways when I took them over.

Hon. W. C. ANGWIN: I was not here when the hon. member took over the railways. I am referring only to the period when the hon. member retired from the position of commissioner, and I am informing the House that it cost no less than two millions sterling to put the railways in order.

The Minister for Works: They were in a rotten condition when I took them over and they were all right when I left them.

Mr. Troy: They are rotten again.

Hon. W. C. ANGWIN: Then it cost nearly £300,000 to pay for land which had been resumed in the city for the railways. It had been resumed and not paid for prior to the advent of the Labour Government. We have heard a great deal about extravagance on the part of the Labour Government, but the charges which have been made are not true. Those who were responsible for creating the position which we found to exist should take the blame. When we went out of office the railways were left in good order, there was sufficient rolling stock, and the resumed land had been paid for. With the expenditure we had to face, our debt was bound to increase. We have also been told by our agricultural friends that we were extravagant, but if any person in this State should be grateful to the Labour Government, it should be those who are engaged in the occupation of farming and hon. members who represent that section of the community. The policy which is in vogue to-day was initiated by the Labour Government, and it was initiated at a time when those who were on the land were so badly off that they were in need of food. We had something like 2,300 customers and as they all came along suddenly, it was impossible to expect things to run smoothly. This number of people wanted assistance before we were able to get a complete staff together, but we managed successfully, and saved the situation. The action we took then, and again in 1911, gave the greatest satisfaction, and helped many out of the very serious difficulties.

Mr. Pickering: Any other Government would have had to do the same thing.

Hon. W. C. ANGWIN: It was never done previously. We were abused for extravagance by agricultural members, but what we did was for the purpose of saving them and those they represented. We spent on agricultural development £919,588; we spent on roads in agricultural districts about £30,000.

Mr. Pickering: What did you spend on the Perth-Fremantle road?

Hon. W. C. ANGWIN: Then again, when that progress took place in connection with land settlement, and about which the member for Nor-

tham had bragged so much, no provision was made for water supplies, and the first time we had anything resembling a drought in 1911-12, what was the position? The people were clamouring for water throughout the length and breadth of the agricultural areas, and we supplied it at 1s. a thousand gallons when it was costing us £4 to deliver it. Our desire was to save the people on the land. We also put down borers, sank wells, and constructed dams, and in that way spent nearly £100,000. In 1914 with the provisions which had been made in 1911-12, so far as water was concerned, the people in the agricultural areas were able to survive the greatest drought we have ever experienced. The people were able to remain on their holdings, and yet we were told that that was extravagance. Then again, we had to find £100,000 for the Fremantle dock. Can hon. members on this side of the House be blamed for that? I voted against that dock and told the House what the result would be. I had read the report of Mr. O'Connor. The amendment which was submitted however was lost by one vote. I fought the matter strenuously because I was the only one at the time, except the Minister who had read the reports. The reports were kept from everybody else. Just after the Labour Party took office an attempt was made in London and the Eastern States to prevent the Government of the day from carrying out works that they were engaged on works which had been authorised by the previous Liberal Government, but the opponents were not successful.

Mr. H. Robinson: What did it cost the country to increase the wages of the railway men by 1s. a day?

Mr. Munsie: That increase was deserved.

Hon. W. C. ANGWIN: The Arbitration Court has further increased the wages of railway men. After what I have told hon. members is it any wonder that there has been an increase in the interest and sinking fund? We cannot spend money and not increase the interest and sinking fund. It has been increased considerably on account of the action of Parliament before the Labour administration took office. Many members have stated that the work which was initiated by the Labour Government is proving a burden on the country to-day. If hon. members will peruse the Estimates very closely they will find, according to Return 6, that a little over 13 millions sterling has been spent on public works, etcetera, throughout the State.

Mr. Nairn: Does that include the railways?

Hon. W. C. ANGWIN: Yes. But I wish to inform hon. members that 6½ millions of that amount to-day, even in these times of stress and war, is meeting the full charges for interest and sinking fund. Hon. members know well that for the water supply and sewerage of Perth £1,278,000 was borrowed. Who is paying interest and sinking fund on that? Not the State as a whole. There is no charge on the agricultural districts or on the goldfields for that. The metropolitan ratepayers are paying every penny of interest and sinking fund. Let us take the State trading concerns, which have cost about £700,000.

Mr. Hardwick: Seven hundred thousand pounds?

Hon. P. Collier: That does not include the septic tanks.

Hon. W. C. ANGWIN: It is not necessary for me to refer to the State trading concerns at length, because we can, if necessary, deal with them on

the items. But I ask hon. members now to refer to the Special Estimates brought down by the Treasurer, dealing with State trading concerns, only. From those Estimates it will be seen that the Treasurer expects to receive from State trading concerns £24,000 in excess of interest and sinking fund. That balance of £24,000 will go to Consolidated Revenue. Moreover, this is the first time that ever the Government purchase of cattle has been included in State trading concerns. I looked up the State Trading Concerns Act to see whether there was any right to put that item in the State trading concerns.

The Colonial Treasurer: There is not.

Hon. W. C. ANGWIN: Last year the item appeared under Business Undertakings.

Hon. P. Collier: Because it shows a loss it is under trading concerns.

Hon. W. C. ANGWIN: I was just going to say that. Last year the cattle purchase of the Labour Government returned to the State a profit of £28,000.

The Colonial Treasurer: I think it was £25,000.

Hon. W. C. ANGWIN: We will say £25,000, then. This year the cattle purchase of the Liberal Government shows a loss of £32,000.

Mr. Troy: Business acumen.

Hon. W. C. ANGWIN: Accordingly, the Government included the transaction in State trading concerns. Those concerns, which have received so much condemnation, thus have to carry that loss.

The Colonial Treasurer: That is not so.

Hon. W. C. ANGWIN: Had it not been for the inclusion of the cattle purchase in State trading concerns, they would have been showing a surplus of £56,000 instead of £24,000.

The Colonial Treasurer: Your idea may be right, but the motive you attribute is wrong.

Hon. W. C. ANGWIN: The item should not have been there.

Hon. P. Collier: Why the alteration?

The Colonial Treasurer: I was advised that it ought to be there.

Hon. W. C. ANGWIN: Next comes the Perth Tramways power house, which cost £943,722. That is paying interest and sinking fund to-day. Again, the workers' homes, which some country members condemned so much, are paying interest and sinking fund, and also a small profit, on their capitalisation of £553,244. Then there is the Agricultural Bank, to which borrowers are paying interest on £1,547,761. Assistance to settlers accounts for £802,000. We have had the statement of the Minister for Industries, pointing out the wonderful work which has been done with this money, and showing that the whole of the money is coming back to the State.

Mr. H. Robinson: No hope!

Hon. W. C. ANGWIN: Any loss which may be incurred will be more than compensated by payments of interest. The Ravensthorpe smelter, representing £139,000, is paying interest. The Fremantle Harbour Works, £400,000, are also meeting interest and sinking fund. Thus we have 6½ millions, representing one-half of Western Australia's increased indebtedness, not costing the revenue of the State one shilling for interest or sinking fund. And yet we hear this talk of extravagance! It is a very good thing there has been extravagance of this kind; otherwise, owing to non-expenditure of money, the State would be in a far worse position. A gentleman said to me recently, "I find the Government are making alterations in their policy; they do not intend to

raise money in the same manner as you did; they intend to decrease to a large extent the loan expenditure." But we know that the Government cannot raise money at all. I am confident some members of the present Ministry would raise money much more quickly than we did, if only they had the opportunity. The money which the Government are receiving to-day—or the greater portion of it—is money which was raised by the Labour Government. They have the use of the £139,000 which was loaned to the smelters, and of the £802,000 borrowed for assistance to settlers. They are receiving almost weekly repayment in respect of the house connections and the sewerage in the metropolitan area, and repayments for Workers' Homes. And so I could go on, clearly showing that since the Labour Government went out of office much money has been paid back. The present Government have thus received close on one million pounds in 12 months. There is no exaggeration about that. The present Government are financing principally on loan moneys raised by the Labour Government, and on moneys, now being paid back, which had also been raised by the Labour Government.

Mr. Pickering: What about the money paid to Nevanas?

Hon. W. C. ANGWIN: We paid Nevanas £7,000 or £8,000.

The Minister for Works: Nine thousand pounds.

Hon. W. C. ANGWIN: That would include £1,000 for another class of work. We paid Nevanas £7,000 or £8,000, apart from his official report, and we received for that payment materials which at the time, on the estimate of the Chief Architect, were worth £13,000.

The Minister for Works: That does not justify the deal.

Mr. Munsie: There is no one knows it better than the Minister for Works, who was chairman of the select committee that inquired into the Wyndham freezing works.

Hon. W. C. ANGWIN: The Premier said the other evening that the Government were not going to repeat the extravagance of the past. He said the Government had to mark time in regard to new settlement. The Minister for Works then interjected, "Oh, this will go on for years, owing to the extravagance of the Labour Government." The Minister for Works was referring to the deficit. No doubt it will go on for years, whatever the deficit may be. I have here a cutting from a paper called the "Daily News," with the headings "Extravagance of the Scaddan Government—Mr. Gardiner's task—Criticism by the 'Argus.'" The "Daily News" quotes the "Argus" as saying—

When a Liberal Ministry previously followed a Labour Administration in Western Australia, it was able in the course of years gradually to restore order out of financial chaos.

I want the Treasurer to listen to this, in order that he may recognise what an awkward position he is in. When Mr. Daglish left office, his Ministry carried a name with it, which name is known to the State, "the Mark Time Ministry." The Premier, I suppose, intends to follow in the footsteps of Mr. Daglish, because he has said that the Government intended to mark time. That is the worst expression ever uttered by Mr. Daglish. It was quoted against him again and again in this State. The Daglish Government left a deficit of only £46,000. But the "Argus" says it took years to set that position right. What is the present

Treasurer going to do with his deficit of millions ?

The "Argus" further says—

The deplorable drift in the spending departments was stopped, and by the time the swing of the pendulum brought Labour again into power the Treasury was in credit on its account to the amount of £13,000.

That is another lie. Instead of a credit of £13,000 there was a deficit of £80,000.

Mr. Munsie : It was £86,000 odd.

Hon. W. C. ANGWIN : I agree with the Minister for Works that this will go on for years. Members will keep it up for years, or at least the "Daily News" will.

The Minister for Works : What is the use of thrashing dead dogs ? This is a memory of the past.

Mr. H. Robinson : Tell us how to pay the interest on the 18 millions you borrowed.

Hon. W. C. ANGWIN : We never borrowed 18 millions.

Mr. H. Robinson : You spent 30 millions while you were in office.

Hon. W. C. ANGWIN : I would not regret it if we had spent 40 millions in the same advantageous manner. But we have not. The Premier has said that the Government have no direct policy, but are out to economise. I cannot myself find language suitable to describe the necessity for economy.

The Minister for Works : Not expressive language.

Hon. W. C. ANGWIN : Therefore I will fall back upon the words the present Treasurer used in 1915. He said—

The Premier says that economy shall be the keynote of this year's administration. It is quite refreshing to hear economy spoken, but it is going to be even more refreshing to see it practised. We talk a good deal about economy. My experience is that we are all advocates of economy until it touches those interests we are concerned in, and then we are no longer advocates of it.

We had an instance of that to-night, when the member for Gascogne (Mr. Angelo) was dealing with the question of State steamers. The remarks of the present Treasurer continue—

There is a lot of sham in the cry for economy in this House.

That is what the present Treasurer said. He had been previously in office, and he knew what he had to go through.

The Colonial Treasurer : People do not want economy.

Hon. W. C. ANGWIN : Nor do members want it either. Let us look at the position in regard to Consolidated Revenue. In the year ended 30th June, 1916, our revenue, less trading concerns—hon. members should realise that in 1916 the full amount of receipts and expenditure from trading concerns was put in the Estimates, not merely the interest and sinking fund as is the practice to-day. Taking the two together both revenue and expenditure ran over £600,000 each. Therefore, to get the comparative statement, we have to take the revenue and expenditure of 1916, less revenue and expenditure on trading concerns, which brings the revenue in that year to £4,846,074; and the estimated revenue this year is £4,400,732, or a decrease of £445,342. One would have thought that with the fall in revenue every attempt would have been made to bring about a corresponding decrease in expenditure, or if it could not be decreased, at

least to prevent it from increasing. But what do we find ? In the year ended 30th June, 1916, the expenditure was £5,091,721, while the estimate expenditure for this year is £5,337,043, or a increase of £245,322. The Treasurer and his supporters might say "Look at the large increase in interest and sinking fund; but for that we would have had no increase in expenditure." But, as a matter of fact, the increase in interest and sinking fund amounts to only £215,000.

mention this to show that even our borrowed money is not responsible for the position we are in to-day, because, allowing for the increased interest and sinking fund, the expenditure is still £30,000 more than it was in 1916. Yet we are accused of having been an extravagant Government. If the Labour Government were extravagant, what has been done since their time to keep the expenditure within the bounds they set to it ? There is not a department of government but shows an increase in expenditure as against 1916.

The Colonial Treasurer : How do you make that out ?

Hon. W. C. ANGWIN : Yes, there is one, the Treasury. The Mines Department shows a small increase of £188 over the expenditure of 1916. Woods and Forests show an increase of £3,867 ; Public Works an increase of £34,515 ; Colonial Secretary an increase of £23,800 ; Education an increase of £42,392 ; Attorney General an increase of £3,337. In this connection, of course there has been an election, which provides some sort of excuse. The Lands and the Agriculture Departments, administered by the Premier, who who talks so much about economy, show an increase of £4,078 in expenditure, and that in the face of a big decrease in revenue. The Industries Assistance Board and the Agricultural Bank show an increase in expenditure of £5,578, as against 1916. It is true the Treasurer has shown a decrease in the Estimates as against last year, but a large increase in the cost of departments has taken place since the extravagant Labour Government left office, an increase of no less than £118,000. Last time the Estimates were introduced I stood in my place here and pointed out increases right through the Estimates.

Mr. Nairn : How much of the increases represent wages ?

Hon. W. C. ANGWIN : Very little. Last year every Minister denied that there was any increase in the expenditure. I was distinctly told in respect of every vote I opposed that it was not really increased, that the apparent increase was brought about in some other way, and that it really represented a saving. Consequently I was unable to reduce any of the votes, because Ministers assured the Committee that there were no increases in expenditure. The Treasurer to-day has cut down his Estimates by £60,000, with an increased interest and sinking fund bill, and yet we find the expenditure on departments has increased by £118,000 over the expenditure of 1915-16. I say that with a decrease in revenue the least that a Government preaching economy should have done was to have kept expenditure within the limits of 1916. This is the Government who, as private members, refused taxation power to the Government of 1915-16. When the deficit stood at £500,000 these hon. members declared it to be alarming. It was nearly a million and a half when the late Government took office, and now this Government of economy have increased expenditure. It is true that a large portion of

the increase has gone in education. The late Minister for Education, the member for Kanowna (Hon. T. Walker), was voted £322,941 in 1916. He continually impressed upon his officers the necessity for economising and keeping the vote down, and as a result he was able to save out of that vote about £6,000. I give place to no man in Western Australia in my advocacy of the provision of proper educational facilities, but I honestly believe that that vote should not have been increased on a falling revenue. Yet, it has been increased by £42,000. The Minister who as private member declared that the deficit was alarming, failed to get through his first year of office without exceeding his vote by £16,000, and in addition to that he comes along and wants another increase of £25,000 this year. Some of the Ministers in the present Government have no idea of economy. As the member for Gascoyne (Mr. Angelo) said, they should be told straight out that they must practise economy. It is true the Government have made a little saving in their expenditure, but that is on the business undertakings—not to be confused with the trading concerns. It amounts to £46,455 as against 1915-16. But while they have reduced their expenditure to this extent their revenue has fallen off by £376,091, and so, when we take the two decreases together, we find there has been practically no saving at all, and that no attempt has been made to keep the expenditure within the revenue.

Mr. H. Robinson: What about the loss of £43,000 on your importation of wheat?

Hon. W. C. ANGWIN: If that importation had not been made, and if we had not got rain early in February, the people would have had nothing to eat. There was no wheat in the State, and our importation was made with the object of providing food for the people in case the rains did not come. It was a saving to the State. The hon. member reminds me of a farmer who was talking to another farmer here some years ago at a time when there was a drought in the Eastern States. He said to this other farmer, "I see by the paper that they have had rain in the Eastern States." The other man said, "Yes, what a pity the drought did not remain longer, for we would have had more money for our chaff." I prefer the rain and the loss on the wheat, though it would have been the more payable proposition to have had the rain without the loss.

Mr. Munsie: It would have been a bad thing for this country if this had not been done. The wheat saved the people, or would have done so if the rain had not come.

Hon. W. C. ANGWIN: In the year 1915-16 there was a deficit on the work of the year of approximately £343,000. There were money's owing to the consolidated revenue at the time over and above the sums owing according to the Auditor General's report, amounting to approximately £350,000. The member for Albany (Mr. H. Robinson) has perused the Auditor General's report very closely indeed, but this part of it evidently does not suit his policy. The report shows that the amount of money owing to consolidated revenue was £400,086 4s. The claims outstanding amounted to £57,311 0s. 5d. Where, may I ask, is the £93,000 mentioned as owing by the member for Northam (Hon. J. Mitchell)? If we had had the money then owing to the State there would have been no deficit at all on the work of the year. In addition to this, we left stock in the various trading concerns, paid for out of revenue, to the value of £233,000, and if

we had been able to realise on those stocks there would have been a surplus in that year. Of course, some of the stock had been paid for previously. Notwithstanding all this, we were told that extravagance existed, that want of ability was shown, that no attempt was made to economise, and stupidity and ignorance were removed by duplicity and intrigue; but, however that may be, there have now been purchased in place of these attributes financial genius and business acumen.

Mr. Pickering: Of which we have evidence.

Hon. W. C. ANGWIN: What has been the result to the State? In two years this financial genius and business acumen have built up an additional deficit of one million six hundred thousand pounds odd, notwithstanding the fact that in 1915-16 we left amounts outstanding to the tune of £350,000 to meet a deficit of £343,000, as well as stock valued at £233,000. God help the country from such financial geniuses in the future! May we protect it from business acumen of that nature.

Mr. Nairn: I suppose the war had nothing to do with it.

Hon. W. C. ANGWIN: It had nothing to do with the previous state of the country when the Labour Government was in office. The hon. member has repeatedly said all that is wanted is business acumen.

Mr. Nairn: I did not use that expression.

Hon. W. C. ANGWIN: The hon. member supported it by his vote, and had a lot to do with making the change.

The Colonial Treasurer: That is not fair.

Hon. W. C. ANGWIN: I withdraw. Had it not been for the want of shipping to help us in getting our timbers to the old country and elsewhere, and had we been able to sell and deliver our timbers which we had already cut and the machinery which had been manufactured, we would have had another £233,000.

The Colonial Treasurer: I suppose, but for the war, we could have sold a lot of the timber we have already cut.

Hon. W. C. ANGWIN: Yes, but the Government are not cutting timber there to-day in the same proportion as was the case in our time. They have timber there which was cut when they took office.

The Colonial Treasurer: Your argument is that if timber was cut before the war it should have been a realisable asset?

Hon. W. C. ANGWIN: No; what I want to show, as far as possible, is that the result of the work of the Government was not brought about by extravagance, but by the war.

The Colonial Treasurer: That is all right.

Hon. W. C. ANGWIN: To members opposite the result was due to extravagance, want of business acumen, and to the fact that we did not possess the necessary financial ability.

Mr. Nairn: How much did you lose by the Nevanas contract?

Hon. W. C. ANGWIN: Not one penny.

Mr. Munsie: You lost money owing to the bad administration of the genius who is controlling this work.

The CHAIRMAN: Will hon. members kindly refrain from interjecting?

The Colonial Treasurer: I was beginning to wonder whether this was an orchestra, or not.

Hon. W. C. ANGWIN: What has happened since I left office has nothing to do with me.

Mr. Nairn : What about the powellising contract ?

Hon. W. C. ANGWIN : The Minister for Works has stated in this House that the estimated cost of the freezing works at Wyndham was £270,000. It is now over £300,000. If the Government have now altered their plans and increased the cost to this extent they must take the responsibility.

Mr. Teesdale : The plans were not practicable before.

Hon. W. C. ANGWIN : They were.

Mr. Munsie : They were admitted to be practicable by the man controlling the works. You do not like hard facts.

Hon. W. C. ANGWIN : We have been asked to make suggestions. The Treasurer appealed to his other 49 co-directors in this House and asked for suggestions. But it is not expected that I should make any suggestions.

The Colonial Treasurer : When I sat over there I gave you all the help I could.

Hon. W. C. ANGWIN : I know all about that. During the absence of the Treasurer from the Chamber the other night the Premier said that he did not expect hon. members on this side of the House to show the Government how to effect economies, or to carry on the Government. Where does the consistency of Ministers' actions come in ? One Minister repeatedly says one thing, and another Minister says something of a directly opposite nature. And while the Treasurer comes forward and makes such suggestion, the Premier says, "We do not expect you to do it and if you do we will not carry it into effect."

The Premier : I did not say that.

The Colonial Treasurer : Your own leader when in power said he was going to demand it from us.

Hon. W. C. ANGWIN : That is different.

The Colonial Treasurer : Of course it is different. Why are you giving us nonsense like that ?

Hon. W. C. ANGWIN : The hon. member can regard it as nonsense, but it is the position to-day. I object to be told that we are not expected to give assistance.

The Colonial Treasurer : Let me give you credit by saying that you have always tried to help us.

Hon. W. C. ANGWIN : We have had several suggestions put forward, suggestions from the member for York who stated that if the railway fares are increased the industries will be crippled, and from the member for North Perth, who in the public press has declared that the only remedy for wiping out the deficit is to reduce the tramway fares. It is very good at a time like the present to advocate that there should be a reduction in these fares, especially when the trams are just barely paying interest and sinking fund. I hope the Treasurer will take that advice if he thinks it will help him to wipe out the deficit. The member for Perth recommended increased taxation and retrenchment. I honestly believe that the Government of the day will have no difficulty in persuading hon. members in another place to agree to increased taxation. Hon. members will pass it for the Government now in power, but they would not pass it when the Labour Government suggested it. It will depend too, on how the tax is imposed. The Treasurer suggests a super tax for this year and minor savings ; the latter I disagree with. We will know what the super tax is when the Bill comes down. The Premier in the course of his speech said that everything will be allright in the sweat by and by, that the State has recuperative powers and immediately the war ceases and

we get into running order again, there will be no further trouble. The member for Swan has drifted into glory land with the Premier.

Mr. Nairn : And a happy state, too.

The Colonial Treasurer : Now don't you get pessimistic.

Hon. W. C. ANGWIN : Any hon. member who tells us that we will get into proper running order in two years does not know what he is talking about.

Mr. Nairn : Who said that ?

Hon. W. C. ANGWIN : There is no doubt about it that if we can get straight in ten years after the war is over we shall be very thankful. I want to say a few words in connection with the sinking fund. The Treasurer read an Executive Council minute published in 1901, the effect of which was a refusal by the British Government to allow the sinking fund to be interfered with. Is it not strange that the British Government should come to one of the outposts of the Empire, particularly a place like Western Australia, from which State so many men have gone to fight the Empire's battles—

Mr. Pickering : Our battles.

Hon. W. C. ANGWIN : We had no say in going into it ; we accepted the position as loyal subjects. Is it not strange that the British Government at a time like the present, should stop us from using the sinking fund to the best advantage, when they themselves have not paid a penny into their sinking fund since the beginning of the war. When the Labour party took office attempts were made to prevent the Government borrowing money and carrying out works which were left as legacies by the Liberal Government. In my opinion the same action is being applied in London to-day as it was applied in 1911. I believe some underhand engineering has been going on for the purpose of preventing the present Government from using the sinking fund to advantage for the benefit of the State. I may be wrong, but I will tell hon. members why I have formed that opinion. We have sinking fund trustees. One is the Agent General of this State, and any person would think that before those trustees approached the British Government in regard to our sinking fund they would first have communicated with the Government of Western Australia to ascertain their views. In reply to a question of mine, put by way of interjection towards the close of the Budget speech, the Treasurer told us clearly and distinctly that the trustees had not communicated with the Government before action was taken. In my opinion, the action was wrong. I consider the British Government had no right to interfere until they were in possession of the views of this Government. It may be that the British Government were guided by a discussion which took place in this Chamber. Mr. Scaddan, on one occasion, gave Treasury bonds for the purpose of carrying on public works in this State. He adopted that course in preference to borrowing money at a heavy rate of interest. In the course of the discussion Mr. George said, by way of interjection—

You are breaking your undertaking with all who subscribed to the loan. It would be a deliberate breach of faith with the bond holders.

I observe the present Treasurer was not too much in sympathy with the proposal at the time, and according to his speech he was afraid that injury might be done to Western Australia. Still, objection was not taken by him as it was taken by other hon. members. The present Attorney

General, however, waxed eloquent on the subject, saying—

We are in such a bad plight financially that not only has the Treasurer flouted the House in the way I have described, but he is going to endeavour to flout the laws of the country. But I do not think he will succeed.

The hon. gentleman then pointed out that an action could be brought by any person with a view to preventing the Treasurer from taking the course he proposed. The present Premier on that occasion said—

I would like the Premier to consult his financial advisers in London as to whether they think it would be wise for Western Australia to invest the sinking fund in new stock. I am quite certain he will receive but one answer, namely, "No." To do that would make it appear to the world that we were in extremis financially, and that would certainly be detrimental to the interests of Western Australia.

Possibly the trustees were guided by that discussion to the conclusion that they could make representations to the British Government without first consulting the Western Australian Government as now constituted. What is the position so far as Western Australia is concerned? I maintain that if the Treasurer had been asked to make a statement with regard to this matter to the sinking fund trustees, he could have put up such a case that they would have had great difficulty in refusing the Government's proposal. I find that New South Wales, on the 3rd June, 1916, had only a sinking fund of £439,612, while their indebtedness amounted to £130,514,000.

The Colonial Treasurer: The Premier of New South Wales told me that his State had suspended all its sinking funds.

Hon. W. C. ANGWIN: That is what I am coming to. The New South Wales State Debt and Sinking Fund Act of 1904 provides—

There shall be issued during each financial year from the Consolidated Revenue Fund to the Commissioners, and placed by them to the credit of the general sinking fund, the amount of three hundred and fifty thousand pounds, and such further amount as Parliament may provide. That was enacted in 1904. But in 1914 the New South Wales Parliament passed a State Debt and Sinking Fund Amendment Act which added the following proviso—

Provided that where at the close of any financial year there is a deficiency on the Consolidated Revenue Account, the Commissioners shall repay to the Consolidated Revenue Fund any amount, not being greater than such deficiency, which has been issued from the said fund to the Commissioners during the said year. While they give it by one Act, they take it away by another. So they really have no sinking fund whatever.

The Colonial Treasurer: South Australia has suspended its sinking fund, too.

Hon. W. C. ANGWIN: I wish to draw the particular attention of hon. members to this. South Australia in 1915, after the war had broken out, passed an Act of Parliament—which I have here, bearing the signature of the Governor—suspending payment of sinking fund for the year 1916. No such action as was taken in the case of Western Australia should have been taken without prior consultation with our Government, so that there might have been an explanation of the position as it affected this State. We are in a very happy position as regards repayment of

loans. Ranging from 1921 to 1927, outside the Commonwealth loan, we have about £5,800,000 to repay, and we have to-day over two million pounds in hand, by way of sinking fund, towards that repayment. I have noticed in "Hansard" a suggestion by the present Treasurer that there was a possibility of suspending payment of interest and sinking fund on so much of our stock as we have repurchased.

The Colonial Treasurer: I still think that. In regard to stock which we hold ourselves, we would not be breaking faith with anybody.

Hon. W. C. ANGWIN: That suspension would amount to about £403,000, which would help us materially.

The Colonial Treasurer: That would be interest and sinking fund.

Hon. W. C. ANGWIN: I think the Treasurer should look into the matter carefully, to see if he can get that relief temporarily, for the period of the war, to assist his finances. We seem to be getting into the grip of the Commonwealth Government financially. Every State of the Commonwealth seems to be getting into the same position. There is a possibility that, owing to the States being thus grappled financially, the Commonwealth may at an early date enforce the taking over of the State debts, or perhaps unification. That being so, if we can cancel the inscribed stock which we have purchased by way of sinking fund, we shall, for the time being, reap the benefit of interest and sinking fund, to the extent of about £400,000 a year, which we are now paying. But while the Commonwealth put their hands on it, we can rest assured that we shall have to continue paying it until all our debts have been redeemed. I hope the Treasurer will give this consideration. We have heard a lot about our deficit. There is not in Australia any State which has to meet obligations such as ours, and which is in as sound a position as Western Australia. Almost the whole of our deficit is represented in the amount we have paid into the sinking fund. From the 30th June, 1911, to the 31st March, 1917, we paid £2,496,348 to the sinking fund. If, like New South Wales and South Australia and the other Eastern States, we had not paid into our sinking fund, we would not have had any deficit to-day. We are only increasing our indebtedness by borrowing money to redeem previous debts. I sometimes think we are inclined to be too pessimistic about our finances. There is no doubt that the Government have had and are having a difficult time. Hon. members realise that our trade has been very much affected during the last year or two owing to the war and that this in itself has put a heavy strain on the finances. In 1915-16 our imports amounted to over £28 per head of the population, while our exports represented a little over £25. In 1916-17, the latest reports we have, our imports amounted to £30 per head, or £2 more than in 1915-16, while the exports were a little over £17 per head, or nearly £8 less than in the preceding year. Thus we have a difference in the trade of the country of a little over three millions of money in one year. That includes everything that has gone out of the State. Clearly this must affect the finances of the State. I want hon. members to realise that neither the gold mining industry nor the agricultural industry is in too rosy a position to-day. The agricultural industry has been dependent almost entirely this year on advances from the Government, and it is necessary that the Government should look as closely as possible into the position. While I believe the

people as a whole realise the necessity for increased taxation, yet it is clearly the duty of the Government to attempt to keep expenditure within revenue. In any such attempt the Government will have the support of members on both sides of the House. The Labour Government who were accused of extravagance and removed from office on the score of lack of ability, have been succeeded by a combination of financial genius and business acumen that has increased the deficit by over £1,800,000.

Progress reported.

House adjourned at 11.5 p.m.

Legislative Council,

Tuesday, 26th February, 1918.

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

[For "Questions on Notice" and "Papers presented" see "Minutes of Proceedings."]

MOTION—ELECTORAL, METROPOLITAN PROVINCE.

Seat Declared Vacant.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [4.35]: I move—

"That in consequence of the resignation of the Hon. H. Boan as a member of the Legislative Council for the Metropolitan Province, his seat is hereby declared vacant."

I regret very much the circumstances that have rendered this motion necessary. The answers I have just given to questions asked by Mr. Kingsmill will make clear to the House the conditions under which Mr. Boan arranged for the establishment of the agency of the State Savings Bank at his establishment. They disclose the fact that this agency was not established at the request of Mr. Boan for the purpose of increasing the popularity or profits of his business, which would have been a perfectly legitimate action for any business man to have adopted. The branch was established in the first instance at the suggestion of an officer of the Government Savings Bank. At that time, four years ago, when the suggestion was first made and the agency was established, the Government were faced with the necessity of competing against the Commonwealth Savings Bank. I hold the view, and I have no doubt it will be shared by a large number of members, that in starting the Savings Bank, the Commonwealth Government were invading the proper rights of the States and were straining, to say the

least of it, the provisions of the Constitution Act governing the operations of the State Savings Bank. Even those who differ from me will, I think, agree that so long as two Savings Banks are continued this must inevitably result in a great deal of unnecessary and wasteful expenditure. The position at the time was that there was considerably over four millions of money invested in the Savings Bank, and there was a great danger of this drifting gradually into the Commonwealth Bank, for this important reason, that from the time when the Savings Banks were first established in England, the Post Office has always been regarded as the home of the Savings Bank, and as the Commonwealth had the Post Offices it was feared, and very properly, that the money would gradually drift into the Commonwealth Savings Bank. During the first two years of the operations of the Commonwealth Savings Bank the withdrawals from the State Savings Bank were on such a scale that, notwithstanding the accumulation of interest on remaining deposits, each of those two years showed a smaller balance at the end of the year than stood to the credit of depositors at the beginning of the year. Had that condition of affairs continued it would have been a serious matter for the State, for practically the whole of the Savings Bank funds were invested in large undertakings for which other provision would have had to be made had that money been withdrawn. After two years the State Savings Bank began to hold its own again, and during the year ended 30th June, 1917, there was a substantial increase in deposits over withdrawals amounting to £200,000, and for the following six months up to the end of the last calendar year there was an increase of £80,000. I am not suggesting that this big increase was due to the establishment of the agency at Messrs. Boan Bros.' emporium, but the fact that this agency was the fourth highest in the State, including the central office, shows that the policy suggested by the official of the Savings Bank, that an agency should be established there, was a wise one and one which has had a good effect. I mention this to make clear to the public that the circumstances which resulted in Mr. Boan sending in his resignation as a member of this House have arisen through his undertaking, at the suggestion of an officer of the Savings Bank, an agency which has proved very satisfactory to the Government Savings Bank and incidentally to the State in general. No doubt it is a very wise provision of our Constitution Act that members of Parliament should be debarred from accepting commissions from the Government, and it is necessary that the provisions should be observed both in the letter and in the spirit if we are to maintain that high reputation which Australian Parliaments have happily enjoyed. The action taken by Mr. Boan in resigning his seat and returning the whole of the allowance he had received during the 10 months of his membership in Parliament is, I am sure, in keeping with what might have been expected from a man of Mr. Boan's character, and from a man having such a high regard, as I am sure he had, for the traditions of this House. His action will be appre-