

Legislative Assembly,

Thursday, 28th February, 1918.

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

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

ANNUAL ESTIMATES, 1917-18.

In Committee of Supply.

Debate resumed from the 26th February on the Treasurer's Financial Statement and on the Annual Estimates; Mr. Stubbs in the Chair.

Mr. GREEN (Kalgoorlie) [4.43]: I approach the criticism of the Budget with considerable diffidence, firstly because the figures—as has been explained by several previous speakers—are difficult for a layman to analyse, and secondly on account of the attitude of the Treasurer and of the Premier in addressing the Committee on the Estimates. The Treasurer, in particular, almost pleaded with us to treat him gently. Personally, I find it extremely hard to make a blow at a man who is not inclined to put up his hands. Indeed, the position reminds me of the story of the nigger who had got into the tree and said, "Don't shoot, Colonel; I'll come down." Unfortunately, whatever personal feelings of kindness and sympathy we may entertain towards the Treasurer in his undoubtedly onerous task, we must face the position. I believe with Lord Randolph Churchill that "the duty of an Opposition is to oppose," not to oppose with carping criticism, but with the idea of remedying, as far as may be, any weaknesses or deficiencies in the policy of the Government of the day. A great deal has been made of the amount which has been saved by economising. I shall now place before the Committee certain figures, in order that the Treasurer may show me later—as I have no doubt he will—where economies have been effected. A comparison between the financial year 1913-14 and the current financial year, 1917-18, yields some interesting results. The revenue for 1913-14 was £5,205,000 odd, as against an estimated revenue for the current year of £4,400,000. The 1913-14 revenue thus amounted to £800,000 more than the Treasurer expects to secure during this financial year. Although we are receiving £800,000 less this year than in 1913-14, the expenditure this year is expected to be £5,337,000, as against £5,340,000 in 1913-14; or only some £3,000 less this year than in 1913-14. In the circumstances it naturally follows that the working expenses should be proportionately lower. I admit that the interest charges are larger this year than in previous years, and that the amount received from the Federal Government is £46,000 less than in 1913-14. Of course, that will continue in a decreasing ratio. Also, the amount received from the Railway Department is very much smaller indeed. Let us discover, if we may, what has been done in regard to economies in the different departments. We find in the Premier's Department that the expenditure for this year is £11,526, or £1,108 less than in 1913-14. In the Lands

Department the expenditure is £46,131, a decrease of £155. The amount spent in the Lands Department seems altogether out of proportion to the volume of work at present being done. Several sub-branches have now taken over the work originally done in the Lands Department. In the Agricultural Department we find an increase of £1,304. In the Colonial Secretary's Department we find that the expenditure is £567,065, or an increase of £13,709. I suppose it is only human nature if we recall the fact that the Colonial Secretary was the most caustic critic of the Labour Government and their supposed wastefulness whom we had in the State. The old truism that the keenest critic is the poorest administrator may possibly apply in this particular case. In the Education Department, also under the Colonial Secretary, the expenditure for this year is set down at £360,048, an increase of £25,916. On the subject of education, I may say that I am as jealous as any other member in safeguarding the education of the children, but if in a time like this the best brains of the Education Department can be utilised to show whether any saving can be effected either by increasing the age at which children shall go to school, or in any other direction, so long as it does not interfere with the efficiency of the system, the suggested reform will find my hearty support.

Mr. Foley: You are not against this amount being spent on education?

Mr. GREEN: I will make myself clear to even the hon. member if he will remain in his seat long enough. Take, for instance, the secondary school at Kalgoorlie. I am told that out of the original number of scholars who attended the opening of that school, some 250 or 300, only 10 remain to-day. In view of this, one or two conclusions seems inevitable: either the goldfields children manifest a stupidity after settling down to their educational course, or a large number of those children have been withdrawn for some reason over which they have no control.

The Colonial Treasurer: When was the school opened?

Mr. GREEN: About four years ago. I am given to understand that practically all of those 10 children still there are the children of wealthy men. If that is so, it behoves us to see if we cannot expend at least a portion of our education vote in some other way calculated to benefit the children of citizens unable to pay. If, for instance, the bursaries or the scholarships could be increased, it would set up a healthy competition amongst the children, and would enable the children of poorer men to go to the University or the higher educational institutions of the metropolitan area from all portions of the State, from the agricultural areas in particular, where there are now no such facilities, and in consequence brains would count in our educational system. The Minister for Works shows an expenditure of £120,019 for this year, or an increase of £12,853.

The Colonial Treasurer: His buildings and so forth amount to £27,000, so there is really a substantial decrease.

Mr. GREEN: I will hear what the Minister for Works has to say later on. What I have in mind is that he has cut out £8,000 from the municipal and roads board subsidies, and, con-

sidering that the expenditure from loan fund this year will be a very small amount as compared with that of other years, when we spent as much as three millions, it seems to me the presiding genius who at present exercises control of the public works of the State will have to see if he cannot in some way re-organise his department so that we shall not find in a lean year with a scant public works policy the expenditure increased by £12,000 over that of a normal year. In the Attorney General's department there is an increase of £10,266.

The Colonial Treasurer: There was special expenditure for the elections.

Mr. GREEN: I will await with interest the explanation of the Attorney General in respect to that large increase. We find that in the Industries Department there is an increase of £13,723, which, of course, must commend itself to hon. members at a time like this. In the Treasurer's Department there is a decrease of £55,000. I do not want the Treasurer to tell me that he does not desire any credit for this, because he has already explained that the amount has been carried forward from a previous year, and that therefore the expenditure of his department is practically the same as before. I regret that the Mines Department should show an expenditure altogether out of proportion to the magnitude and importance of the industry it controls. We have there a decrease of £1,816. So we find there is a decrease of only £8,071 in expenditure this year as against the previous year mentioned. There are other items of expenditure which I feel constrained to question. For instance, I find it hard to defend the Government on an expenditure of, roughly, £700 for pulling up the tramlines in Murray-street and putting them down in Hay-street, and taking the trams around Melbourne-road. It seems to me that was a totally unjustifiable course to adopt. I have had conversations with men who ought to know the merits of this question, and they have told me that it was totally unwarranted. I do not think the present Treasurer was Treasurer when this was done, but to a certain extent he must be regarded as his predecessor's keeper, and in any case the gentlemen associated with him cannot be held free from blame in this regard. We find also that premises for the Educational Department have been rented from Mr. A. E. Morgans at a cost of £560 per annum. I have had a good deal to do with the Education Department, and have had to pay many visits to the premises of the department, and I think hon. members will agree that the premises that are now empty and have been empty since they were vacated by the Education Department are far more favourably situated from the point of view of those who have to call at the department, and are more suitable to the purposes of the department than are the premises for which we are now paying rent to a gentleman who, for a brief period, was once Premier of the State. There is also the cost, referred to by the member for Fremantle, of Government House and of the Albany Government cottage. This year it is set down at £2,160, or an increase of £1,500. These are small sums, it is true; £7,000 for pulling up the tramlines, £560 to

a "friend of ours," Mr. A. E. Morgans, and £1,500 in order that vice-royalty shall continue to surround itself with the absurd trappings so distasteful to the heart of a democrat. It is matters like these by which we must judge the Government, as to whether they are determined to be thorough and fearless in cutting out unwarranted expenditure. The offices in the A.M.P. buildings, for which we pay £1,700 per annum, may be comfortable, well lighted, and close to the centre of the City, but, in my opinion, the renting of those premises was totally unwarranted. The old premises that were used for a similar purpose might well have been retained until such time as we are in a position to build those big public offices which in this State are undoubtedly required. For the cost of Royal Commissions a sum of £10,098 has been set aside, the greater portion of which could have been saved had the Government shouldered the responsibility of self-government.

The Colonial Treasurer: You cannot interfere with Royal Commissions.

Mr. GREEN: It is a large expenditure which, in my opinion, might have been obviated.

The Colonial Treasurer: The House called for the appointment of the Royal Commissions.

Mr. Munsie: Royal Commissions were appointed when the House was in recess.

Mr. GREEN: The great trouble which this State has to face to-day—it does not matter what Governments are in power—is the loss upon our railways. That is indeed a problem, and were a financial genius to come from the—

Hon. T. Walker: Malay States:

Mr. GREEN: Malay States where the gauge is about 3ft. and the railways are manned by Chinese, Kanakas, and Malays, how would our railway system benefit? I could amuse this House, if there is an amusing side to my character, if I were only to describe a short trip I took over the Malay tramways and railways. I have been on different railways in my time, but the Malay States railways are the funniest things and the most humorous from the Australian point of view that I have ever seen. They go through the jungle, it is true. The authorities there had considerable trouble in clearing a track, which they had to do with coloured labour. To go across the island of Singapore, a distance of about 10 miles, it takes three or four hours in the train.

Mr. Nairn: Is that an express?

Mr. GREEN: Yes. Not even our friends in the remotest part of York would be satisfied to have a railway service copied from the Malay States' pattern. Indeed, we need not go into the Malay jungle, where the railways were practically unknown until a year or two ago, for a progressive people like those of Western Australia to deal with the railway problem. I have a certain amount of fondness for the Americans, because I lived amongst them for five years, and I believe that the best man to get into our country to instil into us new ideas is the American. America has in any one of its 48 States more

railways than are found in many other countries in the world. Even an up-to-date American authority, however, if he came to this State, would have to unlearn a lot that he knew, and would have to adapt himself to a certain extent to Western Australian ideas. I believe, however, this would be completely offset by the new ideas he would bring amongst us.

Mr. Foley: You do not think there is a man in Australia fit for the job?

Mr. GREEN: There ought to be a man in Australia fit for the job. A great deal has been said against Mr. Short. I am inclined to think that our Railway Commissioner is not the worst man in Western Australia to-day. If by importing a man either from America or England, or elsewhere, we can improve our position, I am not parochial enough to speak against something of that kind being done. Our railways dropped in revenue for the year as against 1913-14 no less a sum than £380,000, notwithstanding the fact that we had 500 miles more of railways opened. It is here that one of the big leakages, so far as our revenue is concerned, has taken place. The estimated railway deficit for this year, allowing for interest, is £387,000. It behoves us, therefore, on both sides of the House, irrespective of party bickering or personal bitterness—if such exists—to put our minds together, and in our limited vision, suggest some way in which this great trading concern might be made to pay. It is good to peruse the Commissioner's report, because he is the manager of this concern, and whatever he has to say should carry some weight with members of this Chamber. I should like to read an extract from his latest report. This is dealing with the idea of whether the freights can be raised to help the revenue. He says—

It is very manifest that we could not hope to square the ledger by increases in rates alone. The only remedy lies in largely increased population and production, so that the existing railway facilities can be more extensively used. Naturally, this development must take some few years, but it is the solution of the matter.

Of course that is the position. It is hardly necessary for me to point out that, in this vast territory of ours, with a small population of something like 308,000 and with our large railroad mileage, we cannot expect under our system of freights that the railways will pay. If we take the other States of the Commonwealth and group them together—and in some of these States there is a deficit in the railways—we find that the population per mile is 296 for the year 1915-16. In our own State for that year the population was 95 per mile of railway, whilst this year we have a population of 91 per railway mile, as against a population of 296 on the average in the Eastern States. In 1894 we had 209 persons per railroad mile in this State. On the 30th June last we had 83 persons per railway mile in Western Australia, and that I presume is allowing for the Midland railway, which should be allowed for. The passenger earnings per mile also tell us

a similar story. We find that the earnings in New South Wales per railroad mile during 1915-16 were £717, and in Victoria £639—I believe there has been a big deficit on the Victorian railways—and in Western Australia it was £165 per mile, about one-fourth of what they have got in Victoria, and a little more than one-fifth of what they have in New South Wales, on the passenger earnings per mile. Under circumstances such as these I submit that it is impossible for us, by any method of increasing our freights, to expect to square the ledger so far as our railways are concerned. I am going to suggest a remedy, that may be laughed at by certain members of this Chamber. I may be accused of being doctrinaire, but I recognise that it is necessary to blaze a track with those hardy spirits who have always advocated, and been at the forefront of, reform. I refer to a tax on the unimproved land values. We have in this State a magnificent chance of putting this into operation, because we have a small population in comparison to our vast areas of land. The unimproved value of our lands is stated to be 19 million pounds. Will any member of this House have the temerity to say that the value of that land has been given to it by any particular individual owner in the State? We know it is a truism that the value of the land has been given to it by the presence of the people in the State and the public works which have been constructed, and by the united efforts of the people of the community. If it were possible to imagine a state of things under which there was a general exodus of the whole of the population of Western Australia the values of the land would become absolutely nil. In other countries this tax on unimproved land values has been brought into operation, and where I am going to link it up, if I may, with the railroad system of the State is by the following method. If there is any factor in the State that is responsible for the creation of land values it is that we have constructed by Government money railways to the value of about 17½ million pounds. A sum of 6d. in the pound would give us a revenue of £500,000 per annum, which would pay off the whole of the deficit so far as our railways are concerned and give us £113,000 as a surplus with which to deal with freights.

Hon. W. C. Angwin: How much of that would come from the goldfields?

Mr. GREEN: A very large portion of the railway revenue at present comes from the goldfields. Fremantle pays nothing towards that, and the member for North-East Fremantle (Hon. W. C. Angwin) may well be satisfied, unless he is of a progressive nature and hopes to fight in the land with the men who are after progress, to selfishly stick to his own constituency.

Hon. W. C. Angwin: It is double the size of yours in population and everything else.

Mr. GREEN: But the hon. member is in the happy position of not having to pay a single penny so far as railway rates are concerned on what goes to the coast in his particular electorate.

Hon. W. C. Angwin: You are not talking about railways; you are talking about taxes.

Mr. GREEN: I am talking about a land tax, and my desire to relieve the great burden which threatens to be put upon the primary industries of the country, with which the hon. member is apparently not 30 cents concerned.

Hon. W. C. Angwin: Services rendered must be paid for.

Mr. GREEN: How is it the hon. member has always hugged the sea-coast? Is it not because of the privations of those in the interior, the farmers' wives whom I have seen wearing sacks for clothing and working out in the fields in their husbands' pants, is it not so that he can keep his wife and family away from conditions of that kind that he lives at the sea-coast?

Hon. W. C. Angwin: I worked on the gold-fields for many years.

Mr. GREEN: But the hon. member got away to the coast again. If he has worked on the goldfields he will surely be sympathetic when we advocate something of this kind. Anything one can do, not alone for the mining pioneers—though it is necessary to do something for them, because if there is one thing which stamps itself upon the developmental character of the country it is that the mining industry is threatened with ruin unless we do something for it—in the House with regard to railway freights and easing these people by means of a just tax of this sort, cannot possibly be too much for us to do.

Mr. Lutley: We paid £300,000 last year in freights.

Mr. GREEN: Let us return unto the even tenor of our way, and resume the discussion at the time we were assaulted by the interjection of the hon. member. I say that the value of our lands has been created by the people. Land values in Fremantle, and in North-East Fremantle, have been created by the miles of railway situated in any portion of the State which converges towards Fremantle and Perth. Where would these centres be but for our railway system? Indeed, the term "centre" suggests that the whole of the unimproved value of the land is derived from our railway system and from the presence of the people here. If by this just tax we could show that no man is going to be unjustly treated I say, in view of the present parlous condition of the railway finances, if it is up to us to suggest some such means of relieving the position. If there is any more just means than this, I want to know it. It is necessary for us to consider a proposal of this kind.

Mr. Griffiths: You are on a good wicket.

Mr. GREEN: I have no fault to find with the business man, the man who goes in for production, and makes his money in that particular way. He is doing something, and may be doing something by his capacity for work, which is bringing in wealth that another man might not do. I say that even such a conservative authority as Adam Smith, who is my mentor, tells us that a man must be taxed, even though wealthy by his own exertion, according to the benefit he receives from the State. This is a tax on unimproved land values. A great obstacle in the past has been to try and eradicate from the minds of the

farmer the idea that he, and he alone, is going to be unjustly treated in regard to this tax, and that the whole of the revenue will come from him. Such is not the position.

Mr. Maley: Will not they pass it back?

Mr. GREEN: That is the one tax that cannot be passed back. Let me point out what has been paid by the farming and the mining community in the way of a tax. For the year 1916-17 there was carried on the railways goods and minerals to the value of £1,083,297, livestock £73,000, parcels, horses and carriages £74,000; a total of £1,231,000. The total passenger traffic was £505,000. I am not directly interested in passenger fares but in the carriage of goods, something which directly affects production in this country. If it is proposed, in order to square the ledger, to increase the freights, it will be the most fatal mistake ever made, so far as the primary industries are concerned. Let me point out how a tax such as that I am advocating would operate. Say the farmer has 1,000 acres of land the value of which is 10s. an acre, or a total of £500. He crops say 300 acres per annum, which averages 10 bushels per acre, giving him 3,000 bushels. He sets aside 300 bushels of seed wheat and that leaves him 2,700 bushels to take to market. How is he going to do it? He is not in close proximity to a port. The average cost of getting each bushel of wheat to the market is 3½d. That amounts to £39 7s. 6d. There are freights on machinery, sacks, and the farmer's very household requirements, and in view of that we must add considerably to that £39 7s. 6d.

Mr. Broun: Nearly double.

Mr. GREEN: I am pleased to have that remark. Would the member for North-East Fremantle (Hon. W. C. Angwin) say that that remark of the member for Beverley is untrue? If he can do so he defeats my position. If he cannot, he can content himself by continuing to make silly interjections. If we were able to take the farmers' wheat at 2d. a bushel instead of 3½d. what would that mean? The amount on the quantity of wheat which I quoted would be £22 10s. instead of £39 7s. 6d. As an offset against that, a tax of 6d. in the pound on £500 would be £12 10s., leaving a saving to the farmer of £4 7s. 6d., besides the immense amount that would be saved by the carriage of machinery and other goods. Cheaper carriage would mean immediately cheaper living for the producer and, as I have shown, the tax on unimproved land values would not be aimed at the farmer. If we turn up the return of the Commissioner of Taxation we will find that the greater amount of revenue in this State on unimproved land values comes from the metropolitan area, and that is why we find the opposition of the member for North-East Fremantle so keen on this proposal. The tax would only affect those owning property, the value of which has been increased by the presence of people here. values which have been created by the people at Yorkrakin, or anywhere else hon. members might like to mention, values created by the people in the back blocks who are carrying on the real fight so far as Australia is concerned. If there is one country more than another which requires pluck and unflinching faith to develop it is this country

of ours. It has been referred to by one speaker as the great dead heart of Australia. Having been through America I want to say that the task the people there had before them was nothing compared to that which faces the people who are on our back blocks at the present time. In America every man was given his 160 acres of rich land which was also well watered, and all he had to do was to guard against a few Indians, but they were so poor that they were nothing in the form of a menace and were easily combated. The task of those people in America was as nothing compared to what our outbackers have had to face in trying to open up the dry areas. The land which would be affected by an unimproved value tax is held by those who are only waiting for a rise. We find that 6 per cent. of the people of Australia own 93 per cent. of the land and if we want a patriotic community, if we want a people who will not have to be told repeatedly to go to the war when we think it is their duty to go, we must give them a stake in the country. Eighty-six per cent. of the people in Australia are landless and we make it pretty hard for them unless we enable them to feel that they have some stake in the country. The only way to do that is to impose a tax on unimproved land values. That is the only way out of the wood so far as Western Australia, and indeed the whole of Australia, is concerned. In my native State of Victoria, when the first land sale took place in Melbourne, a block of land was disposed of for £28. Four years later it fetched £4,000 and that block of land to-day is worth 1½ millions sterling. No single possessor of that land ever added to the unimproved value of it by one penny. It was impossible for the owner to do so. The value was created by the community. Not only we, but everyone of the 300,000 soldiers who have gone abroad, have increased the land value. And who is pocketing that increased land value? The land that is no good will not be affected by an unimproved value tax, merely because it is no good, but in regard to the land which has been improved by the community, the value of it should go back to the people. Having dealt with that question, and having made that suggestion, I may be pardoned for referring to another subject which is almost as opposite to it as one pole is from another. My only excuse for bringing up the subject which has no relation to the all important question we have been dealing with is because we have been invited to make suggestions by which the Government may be able to secure more revenue. I sometime back visited China and before going there I wrote to several firms in Western Australia, and in other parts of Australia, firms which are dealing in various lines of production, and asked whether I could do anything in China in the way of making inquiries for placing those productions. I did not pretend to be a commercial traveller nor a commercial agent. I merely asked whether I could be of service in trying to find a market for articles produced

in Australia, my object being solely to endeavour to increase trade. I am not going to weary hon. members by going into details with regard to the inquiries I made on the subjects of jam, flour, biscuits, wattle bark, etc. I have already prepared a paper on the subject and I hope to be able to place it before the public at a later date. But there is one thing I wish to refer to, and it is the possibilities that lie before us with regard to sandalwood. I regret to say that with regard to this great product of ours Western Australia is being robbed of its value. In order to show the House that that is the case, and that we are being deprived of the benefit we should receive by the export of sandalwood, I intend to delay hon. members for a few minutes in order to explain the position of the sandalwood industry in Hong Kong as I found it. That industry is maintained in China almost exclusively by the sandalwood which is exported from Western Australia. During the 11 years from 1907 to 1917 Western Australia exported no less than £634,802 worth of sandalwood to China. The value of the sandalwood exported from the rest of Australia was practically infinitesimal compared to the figures of our own State. During the years 1910-15 the Commonwealth exported £323,000 worth, and in the same period Western Australia was responsible for £290,349 worth, the increase for the whole Commonwealth in those five years over the value of the exports from this State being only £33,389. Thus it will be seen that nine-tenths of the sandalwood that goes to China is exported from Western Australia. The Chinese place a great value on this product for they cannot do without it. They cannot even start work before burning their little sandalwood joss stick. It may seem absurd to mention this as one of the uses to which the Chinese put the sandalwood, but when we come to consider the immense population of China, it needs no assurance of mine that this is the principal way in which sandalwood will be consumed. The member for Forrest (Mr. O'Loughlen) said it is a dying industry, but the figures given in the "Statistical Abstract" extending over seven years, if closely perused, will show that the reduction is very small. I admit it is getting a little less every year. The sandalwood getters have to go further back every year to get the sandalwood. The excellent knowledge which the member for Forrest possesses as to the planting and re-forestation of sandalwood together with the proposals of mine, would prove good joint work. On landing at Hong Kong and making inquiries I found there was only one firm in Western Australia handling sandalwood, John Paterson and Co., of Fremantle. They purchase the sandalwood and the people can only sell to John Paterson.

Member: You mean Duncan Paterson and Co.

Mr. GREEN: I think it was John Paterson; it may be Duncan Paterson. I went up in the "Kwinana," which was loaded with sandalwood to the gunwale, almost into the captain's

cabin. We had 2,200 tons and the State received £2 5s. per ton for the carriage of that wood. It was shipped by John Paterson and Co. and it was nearly the whole of the product of sandalwood for one year. When I got to Hong Kong I found not only is the sandalwood getter of the State in the clutch of one particular buyer to whom he must sell, but that John Paterson is also in the clutch of what is known as the "Sandalwood Guild" in Hongkong, which is composed of three firms, Jardine Matheson, Gilman and Co., and Bradley and Co. There is one reputable firm in Hong Kong which I interviewed, and I found that firm was entirely cut out of the trade. It was the firm that preceded John Paterson; I think it is Guthrie and Co. Guthrie had fallen out over some commission and does not get any trade now. John Chinaman is a fairly astute gentleman and he knows something about Western Australian rings. He thinks that John Chinaman should get a cut out of the sandalwood trade, and therefore before a pound of sandalwood reaches the consumer in China, John Chinaman in his sandalwood guild gets £40 a ton before the product is sold. Let me mention that there is a fairly astute sandalwood getter named L. Park. The sandalwood getters are 50 or 60 miles from anywhere. They live away out in the bush. They do not even get the "Sunday Times," but do not suffer much loss thereby. They are not in the happy position of thinking that the Germans are defeated one week and having the news contradicted the next. Mr. L. Park, of Warriear, wrote to Hong Kong. He was going to get past Paterson of Fremantle. He was going to have a co-operative scheme by which there should be nothing between the producer and the consumer. He wrote to a firm that was once in the sandalwood trade and he gave me a copy of the letter. Mr. Park will be surprised if he gets "Hansard" in finding that this letter has been read in this House. The letter is as follows:—

To L. Park, Warriear. Your letter of 20th September to the Australian Consul has been passed on for reply to us by our Chamber of Commerce. The sandalwood situation here is a somewhat difficult one to explain. We were in it some years ago on behalf of Messrs. Guthrie & Co., Fremantle and Singapore, who sold out their interests in the trade to John Paterson & Co., Fremantle (Perth), who now solely dominate the trade. This firm has three agents here, viz., Jardine Matheson & Co., Ltd., Gilman & Co., and Bradley & Co., who work on a commission basis (the last named firm we are not quite sure of the basis or working); they are bound together in an agreement which we call the "Sandalwood Guild" to sell at same prices, allowances, and they dominate the trade against all comers. As you well know the difficulty is to get the stuff here, but in normal times, Paterson chartered or engaged space on steamers coming from your coast carrying sleepers to China and Japan, usually 2,000/2,500 tons at a time, which on arrival, was divided up between those interested then stacked in lots of about 100 tons with the necessary proportion of chips (2lbs. and under) and dust, and in

combine fixed the price at which the whole consignment was to be sold with the necessary allowances for chips and dust.

They sweep up the dust in China, it is such a valuable product. The letter goes on to say—Cash discount for Native and Hongkong currency (between which there is a discount), length of time for clearance etc. Usually the lots were sold immediately for future clearance and was piecemeal cleared, and in event of further shipments to arrive the price was reduced of which buyers of uncleared purchases got the benefit, that is if clearance date was not yet due, and vice versa an increased price if nothing was coming forward of which the members were cognisant. Clearances were always delivered in proportion, say 10 per cent. large stuff, 70 per cent. regular, 15 per cent. chips, and 5 per cent. dust whatever was the proportion. As you can well see the business is highly organised. The figures when we were in it, were very profitable. If we remember rightly the wood costs, ex wharf Fremantle, about £8 per ton, and they used to pay about 25s. per ton freight, payable on landed weight, of course freight would be much higher now, and possibly not direct to Hong Kong but via Singapore, where a loss in weight is sure to happen as Chinese steal the wood if transhipped, so much so that precautions are always taken here in unloading to stop pilferage. The present price here is in the neighbourhood of \$14 to \$14.50 per picul (a picul is 1,381/3 lbs., 18 piculs 80 catties equal a ton), i.e., 24/3 to 25/3 per picul, so you can well see there is a large profit in the trade. Fremantle wood is preferred to Geraldton wood. Geraldton wood is usually sold at \$1 per picul less, big wood should run 60lbs. and over (in fact full frees) and a lot containing 15 per cent. is considered good. Logs and wood should be peeled, not barked with adze, as this depreciates the oil fragrance when burnt. We hope with all this detail you will understand how the trade is done.

Then the letter goes on to deal with clearances and it says—

We are prepared to handle and care for any shipments you may wish to ship as for your account on a commission basis of 5 per cent. accounting to you at actual selling price less actual charges incurred. We give as references the Hong Kong and Shanghai Banking Corporation, Chartered Bank of India, Australia, and China. In fact any Eastern Bank and shall thank you to exchange same, as to financing we leave this matter till you address us again.

The point I arrive at is this: of the 24s. 6d. per picul with the 16 piculs and 18 catties per ton, runs out at £20 11s. 6d. per ton. The first robber gets that. The guild of which I have spoken—the Chinese guild—makes £20 after taking the business over from the original sandalwood guild. The "Kwinana" took up 2,200 tons of sandalwood. There was a profit to Paterson of Fremantle for being in the happy position of getting cutters to send sandalwood down, while Paterson sat in his office. The State got £4,950 for shipment while Paterson got £22,000 profit.

Mr. Johnston: On how many tons?

Mr. GREEN: On 2,200. He makes £10 per ton profit, that is allowing for carriage. The carriage used to be 25s. a ton, but now it is £2 5s. so these dealers are not in so good a position as previously.

Member: Does the Harbour Trust get much out of sandalwood?

Mr. GREEN: The member for Fremantle (Mr. Jones) no doubt can give the hon. member the information. Let me say on these figures, the State has been losing the sum of £30,000 per annum in this one industry. That amount is lost to the State. If it was a new proposition whereby the State had to erect machinery I can recognise it would be taboo as far as the present Government are concerned. Seeing that the Premier cries Produce, Produce, and still again Produce, and seeing that the State need only take up the position of advertising in the "West Australian" or the "Government Gazette," if they are prepared to make sandalwood a State monopoly and purchase, they would be in the happy position of saying to the sandalwood getters, "We are prepared to pay you £10 15s. per ton so that you may go further out, if need be, and extend the industry. We will allow £2 5s. a ton per shipment by the State steamer, and £4,950 is a profitable venture one way to Hong Kong. After selling to the first robbers still they make £7 per ton profit. This would mean that the State would be making an annual profit of £30,000 simply by making sandalwood a State monopoly. If the Government are prepared to proceed with that State enterprise, I will do my best to see that they get in touch with the Chinamen, so as to be able to deal with the "sandalwood guild" and cut out Jardine, Mathieson & Co., and the first robbers, thus getting in on the ground floor and dealing directly with the Chinese. I have here a letter from Mr. Frederick Mow Fung, of Hong Kong. He is a native of Victoria, the child of pure-blooded Chinese parents. He was born in the Great Western District, and is known to a number of Victorians. The whole of the family have gone to China, and made good there. Mr. Mow Fung's sister is married to an American doctor. The lady has translated into Chinese a text book of nursing, and has also established a nursing staff of native born Chinese, who are doing good work under the Chinese health authorities. These things, however, are by the way. Mr. Mow Fung is anxious to get in touch with the land of his birth, and I am prepared to help him if the Government are willing to assist. His letter is dated the 10th October, 1916, and the portion relating to sandalwood reads as follows:—

I note all you have stated, and I sincerely trust you will have in the meantime made further progress in finding out all about this business.

I was experiencing great difficulty in getting into touch with the sandalwood getters. I have chased them a few hundred miles on the bike. It is pretty hard to get near them. When you do get near them, they dodge behind trees, unless they happen to be armed with guns. The letter continues—

As already informed you, I am in touch with some wealthy Chinese here who are pre-

pared to go into this business on a large scale; in fact, some of them had already invested a lot of money with a view to opening up direct sandalwood business with W.A.; and they have a man named Hector, who, I understand, has been connected with the trade for a number of years, and until recently was carrying on same in partnership with another man named Paterson. Both of them were up there, and when they dissolved partnership Hector made all arrangements with the Chinese to carry on the business. I shall be glad to hear further from you in connection with this trade, as there is money in it for all of us if it can be worked successfully.

I am prepared to take up this position. I will simply suggest to the Government, "There is money in this; take over the concern; simply become the purchaser of sandalwood in this State; help the poor beggars who are isolated from the centres of industry out back, and who have to get further back, by giving them an increased amount of money. See that the State gets some fair return for the cutting out, as the member for Forrest suggests."

Mr. O'Loughlen: I did not suggest that.

Mr. GREEN: Then I will say, "Assist the member for Forrest, or any other forestry expert, in this, so that we may plant sandalwood, the supplies of which are being rapidly depleted." At present the seller is getting one-fifth of the final purchase price. So much for sandalwood. As regards the deficit, I am of opinion that it is not entirely due to the war, and not entirely due to those State trading concerns which have been a bugbear for several years past. This cry about State trading concerns is a dog that will not fight any more. From the Budget it is plain that the State trading concerns, but for the bungle of the cattle purchase—which, by the way, is not a State trading concern, and the presence of which among the State trading concerns is inexplicable to those who understand figures and examine them for their value—would have shown this year a net estimated surplus of no less than £55,000. I shall not deal with the State trading concerns now. The deficit exists not because of the war, and not because of the State trading concerns. It exists, to some considerable extent, because of the loss on our railways, which, again, is due to lack of population—a matter over which we have no control for the moment. But the chief cause of the present parlous condition of the finances is, in my opinion, the decrease in our gold yield. That point has been too frequently overlooked. I have no wish to appear parochial in this matter, but when I find on these Estimates £1,816 less than on last year's Estimates for the pursuit of inquiries tending to the welfare of the gold mining industry, I cannot think that the value of that industry is rightly appreciated by the Government. In this respect let us compare gold with wheat. In 1907 our gold yield was worth 71¼ millions; last year it was worth a little under four millions, only about half of what was won eleven years ago. It means nearly three millions less money spent in our community, given to wage earn-

ers and to recipients of dividends. That fact in itself largely accounts for the condition of our finances. Let hon. members for a moment think what it would mean if this additional $3\frac{1}{4}$ millions were to be distributed among the community now, as was the case in 1907. Let them imagine that at the present day 16,000 gold miners are being employed instead of only 8,000. Let them imagine the money from those wage-earners passing through the various ramifications of trade and finally filtering to the City, and thence to the farmers, and throughout our different industries. Then we would be now in the same position as that which obtained in 1907. It is true that our wheat production has increased materially. In 1907, when Western Australia was producing $7\frac{1}{4}$ million pounds' worth of gold, it was producing only $2\frac{1}{2}$ million bushels of wheat. In 1916, when Western Australia produced only a little more than four million pounds' worth of gold, the wheat had increased to $18\frac{1}{4}$ million bushels. The obvious inference is that while agriculture requires all the help we can give it, surely by a parity of reasoning the great industry which has stood on its feet heretofore, but in which production has fallen to about half within a period of 13 years, in which the number of wage-earners has diminished by half, requires assistance from the best brains of this community. Surely it is plain that the State must do the utmost possible to fortify this great but declining industry. The only solution of our financial problem is taxation. The present Treasurer has the ball at his feet. Previous Governments who brought forward super taxes had their proposals defeated in another place. They had no possible chance of passing their taxation, because in another place members were of a different political faith. In this case the Government have, at all events for the moment, friends in another place. Members elsewhere are on many questions staunch Liberals, holding Conservative views opposed to the progressive ideas of the Labour party. What has been done in other States can be done here. Queensland, for example, found itself behind in its finances. On the 30th October, 1917, its Treasurer anticipated a deficit of £496,000. That, of course, is very little more than half of what we here have to face with only half of Queensland's population. At the same time, we can well follow along the same lines as Queensland in order to straighten our finances. That State brought in the necessary taxation proposals and put them into operation; and Queensland to-day, with those taxes operating, is as good a State as any other to make a living in. Queensland is just as flourishing as any other State of the Commonwealth. Under its increased stamp and succession duties, Queensland is obtaining another £50,000 annually; from super tax on land it is obtaining £120,000; from extra rents on pastoral holdings, £150,000; and from the new income tax, £180,000. New Zealand has done something similar. New Zealand has faced the position boldly. Our Colonial Treasurer, with

the National party behind him, can do the same. We of the Labour party can stand over here and see the ripples below the surface opposite. We see the anxiety of the different sections of the National party, or of some of the independents, to grab office. It is very apparent to us. We are not children, born yesterday. We see the position as regards certain members opposite, who say, "We are with you, brothers, but let us swallow you." The thing is plain and manifest. However, with one or two exceptions the party attached to the Government would be with them in a policy of increased income tax and increased land tax. I repeat, the ball is at the Treasurer's feet. I have great faith in him. If he faces the position boldly, he will be acclaimed in this State as Sir George Turner was in Victoria, when my native State was in the slough of despond financially a decade or two ago.

Mr. THOMSON (Katanuing) [5.59]: Like the last speaker, I feel a certain diffidence in approaching the Estimates. It does seem to me that there is a general spirit of pessimism in the Committee. Member after member rises to say that the country is going to the dogs, or words to that effect. One of the main things which we need to bear in mind in the Legislative Assembly of Western Australia is, apparently, the establishment of a cheer-up society. The members of that society would cheer each other up, and also would, incidentally, let the people of the State know that, after all, Western Australia is a country worth living in. I am quite prepared to admit that the deficit is mounting up to alarming proportions. In my opinion we can trace our present position, in part at least, back to the 1911 election, when the Labour Government were returned by an overwhelming majority to carry their policy into effect. They had a mandate from the country, and so had a perfect right to carry out their policy; but it has had an alarming effect upon the State.

Hon. T. Walker: You are talking nonsense.

Mr. THOMSON: Let me remind hon. members opposite that during the period they occupied the Treasury bench our loan expenditure was increased by 15 million pounds. Thus it will be seen that they were largely responsible for the present position. Still, as I have said, they had a mandate from the country, and so were justified in adding that huge expenditure to the burden on the shoulders of the community. The confidence expressed in them by the people in 1911 was repeated in 1914, when they were again returned to power. Therefore, while we may blame the Labour Government for the present position, after all, the blame really rests upon the country for having accepted the policy of the Labour Government. The present Government received their mandate from the people at the last elections, the mandate being that they must effect economy. But I do not think the country is desirous that the Government should adopt the suggestion of the member for Perth (Mr. Pilkington) for violent and drastic retrenchment. I for one would not support violent and drastic retrenchment. The member for Kalgoorlie (Mr. Green) has said that the Treasurer, if he carried his

policy into effect, would be known as the Sir George Turner of Western Australia. I was living in Victoria when Sir George Turner put his policy into effect, and I want to say that never by a vote of mine will such a policy of drastic retrenchment be brought in here as Sir George Turner introduced in Victoria.

Mr. Munsie: It was Western Australia that saved Victoria at that time.

Mr. THOMSON: I agree that Victoria has much to thank Western Australia, and particularly Coolgardie, for. I remember that when the people of Victoria were rushing over to this State, those who remained behind said, "Let them go; it will mean more work for those of us who remain." What a foolish policy! Yet that is the policy the member for Perth would have introduced in this State, a policy of drastic retrenchment and its consequences. It is the duty of the Government, however, to go faithfully through their departments and cut down, consistent with efficiency. It is a suicidal policy for the State to dispense with men whom we cannot spare. In my opinion, the Treasurer has a very hard task before him. He certainly has my sympathy. I do not suppose that any previous Treasurer of Western Australia ever had so difficult a position to face. But we have to remember that it is futile to cut off a man's head in an endeavour to save his life. That is what the member for Perth would have us do. We require to conserve and foster the State, and bring it back to the happy position it enjoyed prior to 1911.

Mr. Johnston: And up till 1914.

Mr. THOMSON: Well, we will say up till 1914. At a later stage I hope to show hon. members that the position of Western Australia is not so hopeless as some would have us believe. It is time we reduced the number of State employees. I believe that one in every four of our male population is in the Government service. If this be so, we can realise the enormous responsibility cast upon the other three, working outside the Government service. It is time the departments were re-organised, and if we are to judge by the startling statement in this morning's "West Australian" and by the file I have here pertaining to a certain gentleman who considers he has been very harshly treated by the State, it seems to me it is time also we amended some of the Acts under which public servants work. This file deals with a gentleman of the name of Kessell.

The Minister for Works: Colenso Kessell.

Mr. THOMSON: I am inclined to call him Colossal Cheek Kessell. Here is a man who says he feels aggrieved that he has not had justice done to him by the State. In 1902 he joined the Railway Department at a salary of £208, and from 1902 until a few months ago he has been drawing a good salary from the State. Since 1911 he has been drawing £500 per annum, and I find that a grateful country has paid his expenses from England to the amount of £641 6s. 8d. So important do I regard this matter as being, that I propose to read certain extracts from this file for the information of the House and in order

that they may be recorded in "Hansard." Let us consider the position of this particular gentleman—and God knows there may be hundreds of others.

Hon. T. Walker: What did you say happened in 1911?

Mr. THOMSON: In 1911 this particular gentleman had his salary increased by the Government in which the hon. member occupied an important office.

Mr. Foley: It seems that his salary has been increased every year since 1902.

Mr. Munsie: He was appointed secretary to the Premier before ever the Labour Government was thought of.

Mr. THOMSON: But your Government increased his salary by £100. I think that when a public servant who has served the State for 17 years and is still in the prime of life gets a pension of £132 per annum, there is something wrong.

Mr. Johnston: They would not give him the Imperial Service Order.

Mr. THOMSON: He deserved it for considering that he has not been fairly treated.

Mr. Munsie: It was the first mistake ever he made—he did not go for the maximum award.

Mr. THOMSON: It is the bounden duty of the Government to introduce legislation which will prevent such a thing ever happening again.

The Colonial Treasurer: It is difficult to take away pension rights.

Mr. THOMSON: It may be difficult, but I do not think a man who has had a constant job in the Government for 17 years, during which he has drawn a large salary, is entitled to a pension. Contrast the position of such a man with that of a man working for a private employer. The only pension an ordinary workman can look forward to is the old age pension, and if he has been at all thrifty in life the Commonwealth Government will see to it that he does not get the full measure of his old age pension.

Mr. Foley: No public servant has been eligible for a pension since 1904.

Mr. THOMSON: Well, if none of the others can obtain a pension, perhaps I am going too far.

Mr. Munsie: Any officer who joined the service before that date can still get a pension.

Mr. THOMSON: Incidentally I am going to have something to say about the compassionate allowances shown in the Estimates, when we reach that division. But this Mr. Kessell, in the ordinary course has some 25 or 30 years of life in front of him, during the whole of which time he will draw this pension. We can all afford to be generous at the expense of the Government. In Mr. Kessell's circumstances probably even I should be as free with my tips to stewards as was Mr. Kessell, if I knew that the Government were going to reimburse me. It is appalling to think that the State has to pay that man £132 per annum for the rest of his life. He has from 25 to 30 years ahead of him, and he ought to live to be as old as Methuselah, if only for the charges he has put up against

the State. It has cost the State £641 to bring this gentleman home.

Mr. Munsie: He is cheap at the money.

Mr. THOMSON: Perhaps he is. Let me draw attention to the fact that all the time he was travelling he received £4 16s. per day.

The Colonial Treasurer: No, that is one of the many things he asks for. He has not received it.

Mr. THOMSON: Here are some of his claims—

Fares, Mr. and Mrs. Kessell and family. Liverpool—from 21st July to 3rd August, 14 days at £4 10s. per day, £63 (owing to postponement of sailing). Canada—between Montreal and Vancouver, as distinct from actual travelling time necessary in crossing the Dominion. August 18th to 27th, 10 days at £4 10s. per day, £45. Vancouver—delay caused through non-arrival of steamer and postponed date of departure for Australia, 29th August to 1st September, four days at £4 10s. per day, £18.

Sitting suspended from 6.15 till 7.30 p.m.

Before tea I was reading from the file the amount which Mr. Kessell had claimed over and above the amount which the Government paid to him and I had got as far as New Zealand. I was endeavouring to follow this gentleman through his trip and to show how generous he was prepared to be at the expense of this country. We come to New Zealand. "Owing to the Australian strike, steamer not proceeding to Sydney, and awaiting developments September 21 to October 2, 11 days at £4 10s.—£49 10s." Then we have the item "detentions between Sydney and Adelaide." "Arrive Sydney, evening October 7, reached Perth November 10. Delayed, as distinct from time necessary for travelling owing to no steamers running and inability to procure berth on new East-West railway until November 7 from Adelaide, say 14 days at £4 10s.—£63." Then we go back to when he was living in London. "Cartage of baggage to London 17s. 6d., excess charges to Liverpool railway 6s. 6d. Liverpool: taxi for selves and light baggage 2s. 6d., porters 3s., baggage balance and porters 4s., storage of heavy baggage till sailing £1 10s., porters on leaving 3s., taxis and porters at docks 8s." Now he has got to Montreal and he says, "Gratuities on steamer £2, baggage men and transfer of baggage to railway 3s. 6d. Toronto, taxi and baggage 3s. Winnipeg, sleeping car conductors 4s. 2d., porter, arriving, 1s., porter, leaving, baggage, 2s. 6d. Lake Louise, sleeping car conductor 4s. 2d.

Hon. P. Collier: They are all dollars now.

Mr. THOMSON: Yes. "Vancouver, porters 1s. 8d., sleeping car conductor 4s. 2d., baggage, station to hotel 4s., hotel gratuities porter to wharf and taxi 10s., baggage transfer, hotel to wharf including fares of family (5) 8s. 9d." Then he arrives at Auckland. "Gratuities to stewards, etc., £5. Sydney, gratuities to stewards on small boat bringing party over safely on small boat £1 9s. 6d., baggage charges wharf to hotel 9s., excess baggage to Melbourne and porters, arranging

same £1 4s. 8d., baggage charges at Sydney, carrier to residence, part of, storing balance pending ascertaining possibility of going by steamer and conveyance to station for Melbourne £2 10s. 2d." Now he has arrived at Melbourne, and we have these items: "Sleeping car conductor 3s., cloak room charges 5s. 6d., baggage men 3s., porters on leaving for Ballarat 2s. 6d., Ballarat cab 2s. Adelaide—he is getting nearer home. "Baggage and cloak room, arrival 1s. 4d., sleeping car conductor 2s. 6d., hotel and baggage porters 4s. 6d., East-and-West train gratuities and porters 7s. Perth, baggage delivery carrier 4s. 6d." I want to say in fairness to the Government that they turned all these items down and I have read them deliberately with the intention of having them inserted in "Hansard."

Hon. T. Walker: Are they worth the cost?

Mr. THOMSON: They may not be, but they will stand as an example to the people of Western Australia of the colossal impudence of this gentleman who was paid £641, and still considers he has a grievance against the Government. In statement No. 1 we have this: "six months long service leave £264, two weeks annual leave £20 5s., fares Mr. Kessell and family, Liverpool to Fremantle, second class four and a half at £52 13s. 10d.—£238 4s. 9d., railway fares London to Liverpool and allowance for sleepers and meals on train across America £40 17s., removal allowance furniture £70 allowance 15 per cent. on £15 18s. 10d., one fare only in accordance with regulation 64 £7 19s." This gentleman received from the State of Western Australia £641 6s. 8d. to bring him back to this State, and I am pleased to say the Treasurer refused to pay any further claim. I do not propose to read the whole file. There are several other items I should like to refer to, but when the public realise that this official, a paid servant of the State, has received £641 6s. 8d. and also had the supreme impudence of being desirous of charging up further amounts paid in tips—why we could all be generous and make ourselves large and big in travelling over the world if it was at the expense of the Government.

Hon. T. Walker: He was keeping up the reputation of Western Australia.

Mr. THOMSON: Possibly he was keeping up the reputation of Western Australia, but no Agent General who has ever gone home can come back ever incurred the expense that this gentleman did.

Hon. P. Collier: The present Agent General only received £500.

Mr. THOMSON: The Premier, and I say it without contradiction, received from the State for his passage home, £70.

Mr. Foley: You are costing 11s. a page for nothing now.

Mr. THOMSON: It is worth the money to have it inserted. I am just quoting these items to show to what a pass our civil service is likely to arrive at if the condition of affairs such as this is allowed to continue, because under the regulations, unfortunately as they are to-day, we are not able to prevent this

gentleman receiving from the State £132 per annum. If it would be legal for this and another place to pass some resolution or amendment of the Act whereby we could prevent an imposition in this direction, an imposition such as this, I say it would only be doing common justice to this State. It is one of the economies that can be effected.

Hon. P. Collier: It has been done.

Mr. THOMSON: Then I say it has got to stop. The Act should be altered and such a thing should never be allowed to happen again.

Hon. T. Walker: There will never be another Kessell.

Hon. P. Collier: Much you have read is not statutory obligation.

Mr. THOMSON: Whether it is done under the Act or not, the Government have had to pay.

The Colonial Treasurer: The £132 is statutory.

Mr. THOMSON: The expenditure I have just quoted is not. I regret the £132 is statutory. As far as I am concerned I say quite clearly here, if it is within the power of the House to prevent this individual from receiving £132 per annum as a pension, it shall have my vote. As I stated earlier, I am not in favour of violent and sudden retrenchment such as that advocated by the member for Perth (Mr. Pilkington). I had the experience in Victoria of seeing the best manhood of that State thrown out of employment.

The Colonial Treasurer: It cost more to keep the unemployed they say.

Mr. THOMSON: I believe that is so, it did cost more to keep the unemployed in Victoria. We cannot afford to do anything to precipitate a crisis. I have a firm belief in Western Australia. I claim to be an optimist, and not only in act, but in deed. There is no fair portion of the Commonwealth which has greater possibilities than Western Australia. Admitting that we have a very large deficit, our total indebtedness, including our railways, comes to something like £40,000,000. We have a sinking fund of five millions, and that means that our net indebtedness is 35 millions. Our railways have cost us something like 18 million pounds, and I say without fear of contradiction that if the railways, at the close of the war, were placed on the market, some American company would come along and give us from 30 to 35 millions for them, and run them as a paying concern. The member for Kalgoorlie (Mr. Green) stated that the Treasurer had the ball at his feet, and now was his opportunity of taxing the community. In my opinion we cannot tax the community into prosperity, or economise it into prosperity. Certainly, both factors will materially assist in that direction. I am at one with the member for Perth (Mr. Pilkington) when he states that he is prepared to put a super-tax on liquor. We should be looking about for means of taxation, and see if we cannot tax the luxuries of life. I was sorry the Treasurer did not include in his taxation proposals an amusement tax. I will

discuss these various taxation proposals when they come before us. We have no reason to be downhearted so far as Western Australia is concerned.

Hon. P. Collier: We have not too much reason to be cheerful.

Mr. THOMSON: That is so, but we do not need to cry stinking fish and to decry our own security. Unfortunately, however, there is a habit throughout the country, of indulging in pessimism. In 1913-14, there were deposits in the local branches of the Commonwealth Savings Bank to the amount of £277,956; in the State Savings Banks £4,624,482, and in the Children's Savings Bank £23,016; or a total in the savings banks in that year of £4,925,454. In 1917, the deposits in the Commonwealth Savings Bank were £1,025,661, in the State Savings Banks £4,780,734, and in the Children's Savings Bank £35,216, or a total of £5,840,611. This is an increase in deposits for the three years since the outbreak of war, of £915,165.

Hon. P. Collier: Increased bank deposits do not indicate prosperity.

Mr. THOMSON: It is rather a good indication.

Hon. P. Collier: Quite the opposite. The people may be buttoning up their money and not investing it in industries. You want the money put into developing our industries and not left in the bank.

Mr. THOMSON: The savings of these depositors have increased by £915,165 in that period, and this is not the class of people which would go in for large investments. I think I am safe in assuming that, notwithstanding the war, the people are fairly prosperous; otherwise their deposits in the savings banks would not have increased to that extent. Turning to the private banks, we find that in 1914 the deposits, not bearing interest, were £3,781,284, and bearing interest £3,112,431, or a total of £6,893,715. Last year the deposits not bearing interest were £4,342,159, bearing interest £4,427,028, or a total of £8,769,187. The total increase for the three years of the war, both as regards deposits in the savings bank and in the private banks, amounts to £2,790,639.

The Colonial Treasurer: A good deal of the increase in the private banks would be due to the fact that they were holding sovereigns.

Mr. THOMSON: I understand that the Commonwealth have taken practically the whole of the gold. These figures show that, despite the fact that 30,000 odd of our producers have gone to the war, there has been during the three years of war, both in the private and savings banks, an increase in deposits of approximately three million pounds. It is therefore time that the people stopped decrying their country. As one who has much to be grateful for to Western Australia, I feel it my duty to say that I have a belief in the future of this State, notwithstanding that we are the cinderella State of the Commonwealth. Unfortunately, our secondary industries are not yet established. There are people who are freely stating that we should have unification, that unification is the only thing that will save Western Australia from bankruptcy. All I can

say is, if that is so, God help Western Australia. When Federation was introduced we were told that it would mean cheaper living, but instead of that it has meant an increased cost of living. It may seem from my statement that I am an anti-Federalist, but I make this statement, knowing that I am doing so deliberately, and knowing it to be correct, that Federation has absolutely strangled our secondary industries. There is no getting away from that point.

The Minister for Works: Hear, Hear!

Mr. THOMSON: The Chamber of Commerce has recently taken considerable interest in our financial drift. To my mind these gentlemen reaped the full benefit of our prosperity when we had years of plenty.

Mr. Lambert: If we took a greater interest in their excess profits it would be very much better.

Mr. THOMSON: This is the unfortunate position we are in, or would be in if we established any industries in Western Australia to-day. We have this unfortunate position staring us in the face, unless we get special exemption, that upon any profits that are made on enterprises that are started the Commonwealth will take 75 per cent. for the first year.

Mr. Lutey: Why make so much profit; why not make a fair profit?

Mr. THOMSON: If an industry only makes a profit of £100, under this Commonwealth taxation proposal, that Government will take £75 of it. There is not very much inducement for people to start industries in this State to-day, when other industries of the kind will be found to have already been started in the Eastern States. The Federal Government have entered into the realms of State rights in regard to taxation in a way that was never anticipated. We have the Federal land tax, amusement tax and an income tax, and on the top of that we have the Commonwealth Savings Bank. I have not been able to ascertain the amount of money the Commonwealth has received from the land and income taxes and the amusement tax, or the profit it has received from the Commonwealth Savings Bank. I find, however, that since 1902, Western Australia has paid to the Customs £16,493,917. I want to impress the fact upon hon. members that in 1902 there was collected through the Customs in this State £1,335,614. During the year 1917 there was collected, through the Customs of this State, a sum of £809,202, or an apparent saving to the people of £456,411. This, however, is not a saving to the State. I find, on turning to the "Statistical Register," that for the six months ended the 31st December last we imported from the Eastern States goods of purely Australian origin to the value of £1,676,694, or, to bring the figures down to days, we are importing from the Eastern States goods of purely Australian origin to the value of approximately £9,162 per day. Here, in my opinion, is an opportunity for the business men of Perth to come to their country's rescue. They say that the financial drift must stop, that the State must play its part. The Chamber of Commerce is opposed to State enterprises. I, personally, am not in favour of State enterprises, but if they mean the salva-

tion of this country, and the business people will not establish some of the industries which are so badly wanted, I will go to the length of saying that it is the duty of the Government to establish such enterprises. If the men who have money at stake in this country are not prepared to play their part, we shall be reluctantly compelled to ask the Government to introduce these business concerns themselves.

Mr. Foley: Some of us have been in favour of that for years.

Mr. THOMSON: There is a large field for the manufacture of woollen articles and countless other things, which I will not deal with at the present juncture because I understand that it is desired to finish the general discussion on the Estimates to-night. There is one business which should be fostered by the Government, and that is in regard to cool stores. From Albany up to Narrogin there are approximately a million sheep, and in view of that fact we should now begin to prepare for the export of lambs. May I be permitted, briefly, to refer to the evidence placed before the Agricultural Royal Commission, of which we have heard so much. There is a fund of information contained in the report of that Commission. I wish to impress upon the Government the fact that, unfortunately, as a general rule, when any improvements are going to be made, such as the provision of facilities for the export of meat or wool, the first expenditure has been incurred at Fremantle. As I have said before in this House, my views are not of a parochial nature, and I believe that every part of the State should receive its just dues and requirements. I have, therefore, no desire to take away from Fremantle that to which it is justly and lawfully entitled. But it is time that we of the outports were given the same facilities and opportunities to export goods to foreign markets as are available at Fremantle. The evidence placed before the Royal Commission was that Albany has a cold store of 30,000 cubic feet capacity and that it is possible by the expenditure of £2,000 to provide conveniences suitable for handling from 500 to 600 lambs per day. Up to date the Government have spent £18,000 on the Albany cold store, without receiving any profit in return—at which I do not wonder. To my mind, the works have been located unsuitably, right away from the town. Moreover, they are designed principally for the storage of fruit. Even in this respect, however, the conditions are such as to make it practically impossible for the small grower to derive any benefit from the establishment of that store. The store can, if necessary, freeze 3,000 lambs for export weekly, provided only that the Government are prepared to incur an expenditure of £2,000 towards that end. As there is not a cold store at Fremantle, the Government must, I admit, face the establishment of one there, if necessary as an accessory to the Wyndham freezing works. But, in view of the expert evidence I have quoted, I contend the Government would be justified in immediately incurring that small expenditure at Albany. I guarantee that from the country between Albany and Narrogin 3,000 lambs can be supplied per week.

Mr. Harrison: What are you going to do with them after you have frozen them?

Mr. THOMSON: I admit that at present it is impossible to export frozen lambs, but we know that meat is urgently required throughout the country. We know, too, that our sheep are increasing in numbers, so that, if we do not provide an outlet, as suggested, by way of cold storage, there is likely to be a serious slump in the price of sheep. It is the bounden duty of the Government to be prepared for the export trade which will come. Do not let us start to put our house in order when the thief comes. Let us be ready. When the war is over and the homeland is calling for supplies of food, let us be in the position to take our part by exporting frozen lambs. I am not going to criticise the Government for having got rid of the dairy and fruit experts. Still, I believe the Minister for Industries will bear me out in saying that at present this State has neither a butter expert nor a bacon expert, though we are desirous of establishing the butter and bacon industries. Far too much money is being sent out of this State in payment for those two commodities. I therefore suggest to the Government that the Minister for Industries should secure as speedily as possible both a butter expert and a bacon expert. The Government, I understand, are preparing plans for butter and bacon factories; but let us not embark on a new natural industry without taking advantage of the experience of the Eastern States. Let us profit by their mistakes. Let us benefit by their experience. Let us start where our competitors stand to-day. I strongly urge the Government to engage experts as I have suggested.

Mr. Johnston: Mr. Connor was supposed to be a butter and bacon expert.

Mr. THOMSON: Mr. Connor was most enthusiastic.

Mr. Foley: Anybody can be enthusiastic.

Mr. THOMSON: However, I will not discuss that phase at all. Another matter I desire to touch on is the need for the erection of silos. Recently I asked whether it was proposed to erect silos at Albany, and whether there would be any engineering difficulties. But, as usual—this applies not only to the present Government, but to every Government this State has had—when it comes to the expenditure of money for the providing of facilities, Fremantle comes first. Fremantle comes first every time. That port has to-day absolutely the best facilities to be found in this State for handling wheat in bags. Then, if the bulk handling system is to be inaugurated, why cannot the Albany district have the silos erected first?

Mr. Harrison: To which port does the bulk of the wheat go?

Mr. Johnston: Fremantle.

Mr. THOMSON: I anticipated a question of that kind. The bulk of the wheat should go to its nearest port; and that is what I am contending. I represent a district which has been penalised for years. Before the wheat pool came into existence, the farmers were penalised by the port of Fremantle being made the basis of deduction for railage, though some of the wheat from my district went to the port of Albany. The reason given for making Fremantle the basis was that the port of Albany had no handling facilities. In the

1916 season the country from Albany to Wagin produced 1,405,155 bushels of wheat—quite sufficient to justify the Government in giving serious consideration to the placing of silos at the southern port. Let me say here that in advocating the establishment of silos at Albany I am not in the slightest degree encroaching upon the province of the member for Albany, who no doubt will back me up. The farms in my district will fill those silos; and therefore I should be wanting in my duty if I did not voice my protest against the action of the Government in erecting silos first at Fremantle, which has up-to-date handling facilities, while the port of Albany has absolutely no facilities whatever.

Mr. Harrison: The purpose of the silo is to preserve the asset when you have it.

Mr. THOMSON: Why cannot we preserve the wheat grown in our district at the natural port of that district? Does the hon. member think it a fair thing that our wheat should be dragged to Fremantle? Let us not forget that the producer has to pay the railway freight every time.

Mr. Pickering: If a silo is put up at Albany, a silo should be put up at every port.

Mr. THOMSON: I have neither the right nor the desire to encroach upon the functions of the hon. members who represent Bunbury and Geraldton. They would regard it as presumption on my part if I were to urge the establishment of silos at their ports. I am sent here to represent my own electors, and in advocating the erection of silos at Albany I am battling for men who have during a long term of years suffered from the lack of those conveniences.

Mr. Foley: I have not heard the member for Albany say that a silo was wanted at his port.

Mr. H. Robinson: I was occupied in offering suggestions for adjusting the finances.

Mr. THOMSON: As regards the deficit, with which the member for Albany dealt at length, the wheat which the State is producing will help to pay off the deficit.

Member: The wheat may be here for three years.

Mr. THOMSON: Possibly. But it is the duty of Parliament to conserve the interests of the people. Where will the ports be if the farmers are driven off their holdings because they are not able to continue the production of wheat or other commodities? I have voiced my protest because of the lamentable fact that on every occasion when improvements are proposed the metropolitan area gets the preference. I have another suggestion to make; and I expect the member for Albany will take me to task for making it, because it involves a slight expenditure. In my opinion it would be desirable to establish demonstration cars in order to convey expert agricultural knowledge to the settlers. We have had experts who were supposed to disseminate their special knowledge among the agricultural population. The unfortunate difficulty, however, was that the majority of the farmers who required information would persist in living too far away from Perth. That was the un-

fortunate thing. If all the farmers in need of information had lived within a few miles of Perth, it would have been all right. Then they could have come in at night to hear lectures, and thereafter gone home. If we are to have agricultural experts, we must send them out into the country. To my mind it is no use merely sending a man into the country to deliver a two, three or four hours' lecture—as some of our experts, in their zeal, did; and I have no desire to detract from either their zeal or their ability. Still, it would not cost the State much to convert one or two closed-in railway wagons into demonstration cars, and by this means convey to the outback settlers information as to wool classing, soil culture, and wheat growing, and other information which can be imparted by experts. There is another matter I want to deal with and it refers to the repatriation of the soldiers, more particularly in connection with land settlement. We have heard a great deal about nothing having been done. I do not intend to cast any reflection on Ministers because I believe they are sincere, but so far as can be judged from the actual results, we have arrived at that stage when we should have something tangible to place before those soldiers who have returned and those who may yet return. I have received a letter which has given me cause for considerable thought. It was written to me by the wife of a man now serving his country. This soldier wrote to his wife and she communicated with me in the following terms—

As representative member for Katanning, I wish to ask you to kindly place my letter before the Minister it concerns, and get a definite reply, as the contents are of vital importance to a large number of our citizens as well as to our men on active service. The following is an extract from letters received from our husbands and other men on active service:—Several of our fellows are asking me to write and request you to find out what our Government are doing for us on our return when the war is over. We are amongst railway men and others from America and Canada. They say those countries are good places to make good in, and that their Governments are making special concessions to those who have done their bit in this war regardless of what country they enlisted in. Kindly find out and let us know so that we may decide what is best for us to do. We want to know definitely as other countries have their schemes all ready.

Hon. members will thus see that the men in the trenches are anxious to know what we are going to do for them when they return, because they see possibilities elsewhere. The men who wrote the letter were under the Industries Assistance Board and they are anxious to find out also what their position is. The letter goes on—

There appeared an article in the "West Australian" a week or so ago to the effect that the Federal Government were leaving the question to the Treasurer, Mr. Gar-

diner, as to the finality whether those men who have been on the Industries Assistance Board before enlisting should participate in the repatriation scheme whereby each man qualified was to receive a loan of £500, notwithstanding his previous indebtedness. As you are aware many farmers who on account of bad seasons, handicapped with poison country and indifferent land, etc., were practically forced through the accumulated and ever accumulating debt, and seeing no future prospect, to enlist, thinking it better to expend their energies fighting for their country instead of being a burden as they were on practically impossible propositions. These men should have every consideration as they were not lacking in grit and energy. It was not their fault that they were failures, but rather the fault of the Government who sent them out to pioneer in uncertain areas.

I can endorse that statement. The Government of this State—I am not blaming any particular Government—in a great many instances have been responsible for failures on the land because they sent men out to take up land which was totally unsuitable.

Mr. Teesdale: Does that refer to Katanning?

Mr. THOMSON: I am not going to mention which place I am referring to; it would not be right. But even in Katanning there have been failures and the fault lies with the Government for having placed men on land on which there was no chance of making a success. In fact it was a gross injustice to do that, and I go so far as to say that it was almost a crime to place inexperienced men on land which was totally unsuitable for cultivation. Repeatedly I have asked that officers of the department should be sent down to inquire into the cause of the failures of the crops, but up to the present without success. I am particularly referring to the failures at North Ongerup. Settlers in that part have spent not only a good deal of money, but valuable years of their lives without avail. If after inquiry the Government find that the land on which these settlers were placed is unsuitable, and that it will not produce, it is their bounden duty to recompense the men on it because they were sent there under false pretences.

Mr. Johnston: Is the salt the trouble?

Mr. THOMSON: I have been endeavouring to find out, and it is the duty of the department to show why the land is not productive. Of course I can point to instances where success has followed farming operations, where families have made good after having taken up their selections without any capital. Of course there are good and bad areas in every country just as there are good and bad individuals.

Mr. Hickmott: Is it the fault of the land or the men on the land?

Mr. THOMSON: I believe it is the fault of the land because the men have stuck to it year after year and in those instances where they have removed to more favourable blocks they have met with success.

Mr. Hickmott: Some can make good, while others, even though they spend fortunes, can never succeed.

Mr. THOMSON: In the cases I have quoted it was not the fault of the individuals, but of the Government, who sent them out to pioneer in uncertain areas. But I have digressed somewhat. The letter I was quoting goes on, and it is the wife who is now writing—

These men will not expect to go through a repetition of their past bitter experiences, especially after suffering all the horrors of warfare, while I think in many cases their mental vitality will not stand it. So many of our returned men are already complaining of delay and lack of employment—one has only to go out to hear the dissatisfaction. Needless to say every country owes a debt to our men who are fighting for their country's cause, in order that those who stay behind might enjoy and retain (what under German rule and power would soon be confiscated) their properties and possessions. Our husbands and the men in question are asking for a definite reply, and if it is a negative one, then they can take it that the Government do not want population in Western Australia, and it would, therefore, be as well for them to negotiate with other countries and seek pastures new.

That is the letter which I have received. I have not presented it to the Minister yet, because I have not had the opportunity to do so. I thought the matter of such vital importance, and seeing that the statements contained in it were written by men now at the Front, that I considered I should read it to hon. members. We should have some definite policy. I do not blame the present or the previous Government, I lay the blame at the door of the Federal authorities. They have not made the money available to enable the State to do its duty. In my opinion, the Government of Western Australia should approach the Federal authorities and ask for permission to build roads in connection with the repatriation scheme, and also to construct railways if it is considered desirable to open up any given area, and we as a State should give the land to these men free of cost. I consider that if a man has fought for his country or even for any portion of the British Empire, he should receive special consideration on his return. The State of New South Wales is prepared to receive men from any portion of the Empire. We too should be ready to receive men from everywhere, but we are not ready to do so. We seem to be only playing with this great question. Unfortunately, the hands of the Government appear to be tied by the Commonwealth. But that should not prevent us from preparing our scheme. We want to be ready to receive men and to increase our population as soon as the war is over. Personally, I think the Government should prepare plans and specifications of public buildings, railways, and other works of utility which are likely to be required in the near future. I know the Treasurer will

say, "Where are you going to get the money from."

The Colonial Treasurer: No, he will not say much to you; you can go on.

Mr. THOMSON: The Treasurer and others will ask that query. All I can say is that we must find the money if we are to make the State advance. If the State is not prepared to receive immigrants and is not prepared to receive the soldiers when they return, there will be serious trouble. Therefore, I hope the Government will take into consideration the suggestions which I have offered. I have pledged myself to support the Government in carrying out their policy of economy with efficiency, but no vote of mine will ever be cast which will bring about chaos in Western Australia. I am prepared, however, to support the Government in every genuine proposal for economy, proposals which will not impair the efficiency of the State. I am prepared to support reasonable taxation proposals, recognising that we must have them. We must carry on the affairs of the State, not in a spirit of despondency, because we have a State with wonderful possibilities. I trust hon. members will feel it to be their duty to cease from cavilling and crying down this wonderful State of ours, and that they will carry on a cheer-up society, believing sincerely and honestly that there is no portion of the Commonwealth like Western Australia which can offer greater inducement to men who are desirous of improving their positions.

Mr. HARRISON (Avon) [8.28]: I am not going to delay the House for any length of time, and I do not intend to go over the ground which has been already traversed by many speakers. There are, however, one or two things which I desire to bring under notice. We know that the war has been largely responsible for our present financial position. The remedies may be varied and many, but we have to go back to the basic principle that, being citizens of the earth we must get our products from the earth. And the expenditure we are put to for the development and increase of production will be financed from that production. Further expenditure must be incurred for the protection of the assets created through that production. Beyond that we have to rely on taxation of the wealth of those who have wealth to give. We all have a certain amount of wealth, if not of cash, at least of energy, and men in every walk of life must pay tax on their energy and must realise it. We cannot afford to pay men on certain hours of employment; because if we pay for energy by cash and we are not getting the full equivalent of energy, we are going backwards instead of forwards. We must insist upon getting a higher standard. We are all too selfish. We are not giving the equivalent we should. We are each looking from the narrow, selfish standpoint. We on this side come here as a national party with national aims and aspirations. Personally I am sorry that we have not come to anything like the standard I thought we should attain under this National Government.

Mr. Davies: It is early yet.

Mr. HARRISON: It may be. I have thought that it would be a good thing if we had a limitation of time for speeches.

Hon. T. Walker: What is your length?

Mr. HARRISON: I think I could condense my remarks to the members of the House to within half an hour. Cabinet Ministers and, I suppose, the leader of the Opposition would require a little more latitude. I really do think we could condense our speeches and bring out the kernel of what we wish to say—not the root system, tree, branches, the stem and the leaves, or the burr and shell, but the kernel of what we wish to say, in half an hour. Long speeches are of little avail. The crux of the whole position to-day is shipping and ship-building. Because of the war and the enemy submarines we cannot get our products away.

Mr. Pickering: That is a Federal matter.

Mr. HARRISON: I am aware of that. It is no reason why we should not assist by doing our part. I have heard that there is private capital in Western Australia for ship building. If the Commonwealth will not tackle the question, and if the State cannot get a share of the ship building through the Government, surely we are not going to prevent private enterprise from tackling it. The trouble is that the owners of this capital say they are not prepared to start until they get an assurance that there will not be competition by the State. We are losing a lot of ground by not getting off the mark without further delay. Here is another point, also a Federal matter—I do not know of anything that would give better results with less cost. I refer to the adoption of the metric system and decimal coinage. If we were to do this, not a tenth of the time for the education of the young by the decimal system would be required as against what is necessary under our present complex system. If we brought down our calculations to the metric system we would come into line with the most advanced nations of the world.

Mr. Davies: It would have a beneficent effect on the cost of living.

Mr. HARRISON: It would be the greatest factor to economy that I know of. Britain, the most conservative nation of all has not yet adopted the system. On the 4th August, 1910, four years before the war broke out, it was carried in the Commonwealth Parliament, with only two dissentients. Why should not Western Australia assist the Empire by falling into line with the Commonwealth in this? We could let it take effect at once by finding a place for it in the curriculum of our schools. I know of nothing else that would bring so much good to the State. We have a hybrid system in Australia to-day, which system they had in England 30 years ago, buying local product by the quarter and foreign by the cental. We still sell on a long ton of 2,240 lbs. and we buy back at 2,000 lbs. Think what it would mean with the handling of our wheat to-day and with the records of it; think what it would mean in our offices and our businesses. It would knock out some of the accountancy work, for a man could then focus on any portion of his business at a glance. Remember our experience at school, when after a wearying passage through the earlier stages of arithmetic, we reached the decimal

system. It was child's play to what we had gone through. The Imperial Government are likely to adopt this system when the war is over and I think we should support them. On the subject of the Estimates, I do not propose to address myself to the question in what has become the ordinary way. All the departmental figures are furnished in the annual reports of the several departments, where any member who chooses may study them. Thus far, the general debate has been productive of very little. We have had from the leader of the Opposition the suggestion that we should not make nurseries of our schools. We have had other suggestions from other members, and I hope those suggestions will be taken notice of by the Government. But if we are to make these very long speeches I do not think that what we say will be taken much notice of. The questions that particularly interest my electorate I will refer to when we are dealing with the items. I hope hon. members and the Government in particular will give full consideration to my suggestions in regard to ship building and the metric system.

Hon. T. WALKER (Kanowna) [8.40]: I agree with the hon. member that there has been a tremendous amount of talking, and I am wondering what definite plans we have formulated for the assistance of the Government. I approved the utterance of the member for Katanning (Mr. Thomson) when he reproached for their pessimistic tone all the members who have spoken thus far. I very sincerely regret that the Treasurer should have set the example in that respect. A more gloomy, foreboding speech I have never heard than that uttered by the Treasurer in delivering his Budget. It may be an excuse that he could not help it, that he was telling the truth, that there was no other course for him to take but to let us know the plain facts, that neither he nor his colleagues nor Parliament could possibly find a solution of the difficulty into which it was said the State was drifting. I draw attention to the fact that this tone has become the parrot cry, the fashion, taken up even by our daily newspapers, evidently through writers who have never seriously thought of the great problems of national development, but who write from the purely party standpoint with a view of damning one section of the political community and exalting the other on a pedestal.

The Colonial Treasurer: We are not to be exalted.

Hon. T. WALKER: Not just now, because there are other suns rising in the firmament, and all eyes are upon them. The Treasurer is very much in the position Mr. Scaddan was in when he was in the Treasury three or four years ago. He was not the chosen, the selected, the petted, the favourite of a certain section of the community, and therefore all he did was to be utterly condemned. The Press talked about a financial debauch, talked about reckless extravagance, the want of economy and the exhibition of inability to finance the State at all. What are the facts, as we have had them revealed by the Treasurer himself? The Scaddan Government were in office for five years, and the Press was crying "Gone-a-million-Jack." This Govern-

ment, and their predecessors of similar ilk—I am not using the word in its vulgar sense—have been in office for one year and eight months, and they have gone to the bad two millions. So it is no longer “Gone-a-million-Jack” but “Gone-three-millions-Jim.” Now that, of course, would be a very ungracious thing for me to say if it were not for the fact that the Government are in office simply on that cry of “Gone-a-million-Jack”; the inability of the Labour Government to keep the finances within the Budget. If it were not for the cry that we are drifting, that we are going to the chasm of destruction, this Government would never have come into office. When Mr. Wilson was leader of the Opposition the cry on this side was, “Put men there who have business capacity, who know how to run the State by financial rule, who have experience and can manage things. That side is incompetent. They are inexperienced. They have no capacity.” And, backed up by the public Press, by the Liberal leagues, by the junior Liberal leagues, and by aspiring youthful politicians who talked as if the wisdom of Solon and of Demosthenes and all the great teachers of the ages were in them, they threw such dust in the eyes of the public, they so absolutely suppressed the real truth and they suggested so many absolute falsehoods that the public believed them. They were looking for their saviour, for the Messiah. They groped about for him; they got Mr. Wilson. He was not good enough and then they held their secret meetings and found the hon. member. They roped him in. He came with his generous heart and said, “I have come here to help you; please, Government, won’t you allow me to help you?” And they thought he was so helpful that they embraced him and gave him a prominent place in the Government. And now what does he say? “You help me because I cannot help myself.” Undoubtedly the hon. member has had some experience in the political history of the country, in the building of the history of the State. I want him to bear in mind that, when they took him in—or he took them in—he assumed the responsibility. He then told the public at large, the constituencies of this State, “I am going to do things which will restore to a normal state the drifting finances.”

The Colonial Treasurer: Nonsense.

Hon. T. WALKER: It was a fact.

The Colonial Treasurer: Absolute nonsense.

Hon. T. WALKER: The hon. member assumed responsibility.

The Colonial Treasurer: I am assuming responsibility now but I am not talking tripe.

Hon. T. WALKER: But the hon. member is acting it. The hon. members on the Government side obtained their seats by none other than false pretences.

The Colonial Treasurer: We take no notice of your assertions.

Hon. T. WALKER: What a magnificent spirit; what a noble example.

The Colonial Treasurer: Talk sense.

Hon. T. WALKER: I say the Government, by their statements that the Labour Government had exhausted the resources of the State, that they had not the capacity to financially

steer the State, and that the newcomers, called under the name of National, were going to restore public confidence and prosperity—by those statements they were saying things that were not true and assuming a superiority that was nothing short of a false pretence.

The Minister for Works: That is your opinion.

Hon. T. WALKER: It is the opinion of the public undoubtedly at the present time. There never has been an exhibition more pitiable in the history of parliamentary Government in this State, or in any other, than the Treasurer coming along and telling the House and the country that he practically has no defined policy, that he and every member must consider himself a shareholder and a director.

The Colonial Treasurer: When you sat here you did not ask, you demanded it, and some of us were so loyal as to give it.

Hon. T. WALKER: When the Labour Government were in power they took the responsibility.

The Colonial Treasurer: All this ancient history at 11s. 6d. a page is too dear.

Hon. T. WALKER: Depend upon it, the truth is going home.

The Minister for Works: It is going home as far as you are concerned.

Hon. T. WALKER: I say again, notwithstanding these sneers, notwithstanding the exhibition of character unworthy of the Treasurer of a dignified Government of the State, notwithstanding all that, I say there never was a more pitiable exhibition than to come here and ask every member of Parliament to shape a policy for the Government that have assumed the position and taken the responsibility. In no part of the world has such a spectacle been seen. It may be new; it may be original.

Mr. Pickering: National.

Hon. T. WALKER: If that is National, then keep us from such nationality. Their cry of National was another sort of advertisement like the advertisement on a pill box.

Mr. Pickering: There is nothing wrong in nationalism.

Hon. T. WALKER: But there is something wrong in the assumption of monopoly to nationalism.

Mr. Johnston: You had the chance to come in.

Hon. T. WALKER: To come into this sort of conglomeration and call it nationalism? What is there national about it? What has it done that is national? What proposal has it made that is purely national? What has it accomplished in that respect? By the attitude of some members it has helped to make the nation unnational. Where is the nationalism, and what can be hoped from a Government constituted as it is? There are some remnants of the old Liberals.

The Minister for Works: They are not too bad.

Hon. T. WALKER: I have some respect for some of the new Liberals. I recognise in political matters, as in national affairs, there are negative and positive poles. The medium between the two is the direction which nature often takes. I respect the old Tory but I can-

not be with him. We have the old Liberals and the new Liberals.

Mr. Pickering: And the Country party.

Hon. T. WALKER: We have the Country party, the National Country party, the Independent Country party; we have the Liberal Nationalist, the Country Nationalist, the new Liberal Nationalist, and the Conservative Nationalist. We have all these mixtures.

Mr. Pickering: Proving it truly national.

Hon. T. WALKER: Proving it purely hybrid, neither one breed nor another. It proves that already there are conflicting elements in that combination that cannot harmonise. It means that there should be a sinking of some conscious conviction on the part of some. There are forces pulling in opposite directions, conflicting views that cannot unite and the Government can only exist by a species of compromise which is a subjugation of all independence. There can be no one course taken. We see that when great questions are submitted to the Premier he says, "I will tell you what my opinion is as Mr. Lefroy, but I cannot give you the opinion of my Government until I have consulted my colleagues." And he has to ask his colleagues and they pull in all directions. The result is no policy but a careless floating on a raft whichever way the stream is taking them. It is impossible to formulate a policy by a Government consisting of such contrary elements.

Mr. Pickering: You want a machine Government.

Hon. T. WALKER: I want no machine, but I want a live Government.

Mr. Pickering: You have one.

Hon. T. WALKER: Here we are at this last day of February considering the Estimates of last July. A live, full force, so much alive that when the Treasurer could not get back on the opening day there was nothing for the House to go on with.

Mr. Broun: Did your Government ever bring their Estimates down earlier in the year?

Hon. T. WALKER: Did they ever so late? Never. The hon. member was not in here most of the time. Never were the Estimates brought down so early as when the Labour Government were in office.

The Minister for Works: They were not very reliable.

Hon. T. WALKER: What has that to do with it? They were reliable. There never were such discrepancies as we are discovering now. I admit we cannot be exact in Estimates but as Estimates have gone they were as good and correct as any. I am saying it is a false pretence to call the Government National. It is a combination of the contrary opinions fused into a whole for the purpose of occupying the Treasury bench.

The Minister for Works: If we are content why do you worry?

Hon. T. WALKER: It is not I who am worrying but I think the truth should be stated. The public ought to know. The public cannot take the Government at their advertised value. The public ought to know that this talk of National is purely illusionary and misleading—I was going to say, a fraudulent term, because they are no more national than we are on this side. We claim to be truly national, to repre-

sent the bulk of the State and to represent every section of the State. That part of the House which call themselves the Government, and call themselves National, are seeking, by every means in their power, to depreciate that large section of the community representing the industrial order of the people, and to make it appear that there is something absolutely traitorous and non-national in that party which is called Labour.

The Minister for Works: You are quite wrong.

Hon. T. WALKER: That is the course which has been taken. Let me show that this is the case. When the first conscription campaign was on I took the platform in advocacy of conscription. I was a convinced conscriptionist, not because I believed in the principle of conscription, but because I believed it to be a necessary expedient by which the war would be brought to a speedy conclusion. I left the State without having uttered one word to the contrary. What happened in my absence? A general election took place, and a representative of this Government, who was a member of the present Government, went up to my constituency in order to deprive me of the suffrages of the people and to put me out, misrepresenting me by stating that I belonged to a disloyal and unpatriotic crowd, as it was said to be. As a matter of fact, I belonged to the crowd which had given one of its only sons at least for service at the front, and I was as anxious as any mortal living to see the triumph of British arms for the welfare of humanity. This was done in the name of the National Government. I only instance this to show their lack of sincerity, to show that after all, it was not national but purely party purposes that were being served by those who were championing the so-called cause of nationalism, that it was in short to destroy true nationalism, and if possible usurp in the minds of the people that which stood for true nationalism and give them a hybrid in its place. I predict that this Government cannot by any of the measures they have at present projected bring this State to the tranquility of confidence in our financial future. They have brought forward no proposal that is a new proposal, or that is statesmanlike. They have brought forward no proposal that amounts to anything more than a drop in the ocean. Some members have said, of course, "Attack education and cut it down." I can well understand that attitude from those who have had their complete education, and whose parents have been able to afford to them the career they have had, but I cannot understand it from those who are sitting behind the present Government and supporting them. I shall have something more to say when we come to the education vote, but to try and put out the light of knowledge and education, training and discipline from our growing young citizens, those who are to be the citizens of the State, is to my mind to return to the days of darkness, and to the groove of bygone days.

Mr. Thomson: Do the Government propose to do that?

Hon. T. WALKER: They do not know exactly what they are going to do on that

point. They have no policy as yet, but are asking for one. This, however, has been suggested by some of those sitting behind the Government.

Mr. Thomson: How much support has it had?

Hon. T. WALKER: I hope it has had none. I can at all events trust that the hon. member will not give it his support. On almost every question that arises hon. members on that side of the House are just as much divided amongst themselves as they would be against members sitting on this side of the House in direct opposition to them.

Mr. Thomson: You were rather pleased they were divided last night.

Hon. T. WALKER: Undoubtedly I was pleased, and I was rather pleased at the attitude of the hon. member to-night. This only shows, however, that there is no policy in the mind of the Government. At any rate I do not intend to have a chat with the hon. member at this stage, and would be glad if he would postpone it until a better occasion arises. It is no particular disparagement of the Colonial Treasurer to assure the community that he cannot do what has been expected of him, or what the Government gave us to understand they were capable of doing. As a matter of fact, it was not with the Labour Government that the so-called drift started, that the financial resources of the country began to fail. We began to drift, if it is a drift, the moment we put our customs and our full rights of taxation into the hands of the Commonwealth. From that time forward, as events have gone on, and as our revenue from the Customs, or the substitute for the Customs, has diminished, we have gone more and more to the bad, and have been unable to make both ends meet. Money has been collected from our citizens, quite enough to carry on the State without any deficit being created, but that money has gone into other channels, into another sphere of government, in fact into the Commonwealth exchequer. In consequence of that, we are at our wits' end to find resources with which to carry on. It is all nonsense to talk about sacking people and reducing employment in the civil service, it is all nonsense to seek to stop our public works and our enterprises, for if we are to survive the misfortunes of the hour it must not be by shutting up shop, but by actually throwing more energy into our enterprises and in the carrying on of further work. We cannot possibly recover by closing up the avenues of employment, or by lessening the amount of money circulating amongst the community in the shape of wages, or salary, or means of support at all.

The Minister for Works: We have to get it somehow.

Hon. T. WALKER: We have to get it by one means only, by the means that every beginner has to adopt when opening up a new enterprise, we have to get it by loans.

Mr. Smith: We have to find the lender.

Hon. T. WALKER: We have people in the State who, if they were properly sounded, would keep the industries in the State going.

and there are other States which have set the example, in spite of the Commonwealth and the calls of the Imperial Government, by getting money with which to carry on public works and to keep the wheels of industry going. It is foolish to expect that we can make ends meet with our resources, as at present constituted, in a great country like this, a third of Australia, and with a population of some 300,000 people, 30,000 of whom, comprising our most vigorous manhood and biggest wealth producers, and those who did most in keeping money circulating, have gone to fight the Empire's foes. We cannot keep things prosperous by taxing the limited few that are left. We must pile up the debt for a little while. That is an absolute necessity. We can be sure of the future, as the country becomes developed and settled, and our liabilities are wiped out. When the assets of the State are considered, our immense acreage of land yet awaiting settlement, our public works of all kinds, our mineral resources, and our agricultural and pastoral industries, when we consider all these things we should not feel that we should be at all despondent. The future surely can reveal the dark hour through which we are passing. I have seen something of the history of the other States of the Commonwealth. There was a time when the people of New Zealand were in despair, in greater despair than we are to-day. There was no war then, and none of the wretched seasons through which this State has passed, and yet to-day New Zealand is one of the most prosperous dominions of the British Empire. I also remember when at the age of 19 I arrived in Sydney. The general talk at the time was that the people were facing immediate bankruptcy. At that time I heard just the same kind of language used, and recriminations amongst politicians as to the drift and financial disaster that were facing the country, that I have heard in this very Chamber. But New South Wales has gone ahead and has become one of the jewels of the British crown. Everyone knows of the disastrous times through which Victoria has passed. We know what crises South Australia has passed through, in those times when there were none of these terrible pressures placed upon us, when there was no time of war. And yet these States have recovered and gone ahead. We are passing through an inevitable depression, which comes from making a beginning, and it only requires patience and a good heart, and keeping free from that pessimism which closes up public works and spirited enterprises, it only needs, in short, that we should ignore our sufferings for the hour and keep our eyes on the bright future ahead of us, for this country to be as prosperous as ever, nay, more so. I am not going to dwell upon that feature of the position to-night. I simply rose to show how history teaches lessons to people, that when we were in office we were abused because we were getting into debt, that the Government now in office have gone at three times the speed at which we went, and are still going to the bad, and that if the Government had only followed the Labour Government in their good measures and examples, they could have done very much better. I only rose to show that

the public have had demonstrated to them beyond any shadow of doubt that if there is anything to choose in the way of Governments in point of view of financial capacity and a real desire to do good to the State, the Labour Government shines out brightly in comparison with the dark and gloomy members of this composite Government.

Mr. Hickmott: Do you think the people would give you another lease of political life to-morrow if you went to the country?

Hon. T. WALKER: I am certain of it. It only wants a little disillusionment taken out of them, and to have all this glitter and gilt, this flag-flying and brag and boast subdued, and for them to look solely at the truth and to do common justice, and there will be no question as to whom they will prefer, a straight out party with a definite policy, or a party of mixtures which are incongruous with each other in policy, and are simply moping along and groping into the future.

Mr. BROUN (Beverley) [9.15]: I am unable to congratulate the last speaker upon the pernicious charges he has made against the Government. He has attacked the administration of the present Government—which the hon. member should be the last in this Chamber to do. In my opinion, the administration of the Labour Government is largely responsible for the financial stress of to-day. As I proceed I shall advance arguments in support of that statement.

Hon. W. C. Angwin: Your opinion is like mine—not worth much.

Mr. BROUN: I am pleased to hear the member for North-East Fremantle admit that his opinion is not worth much. The member for Kanowna has tried to deprive members of this Chamber of the privilege of expressing their views on the Estimates.

Hon. T. Walker: No.

Mr. BROUN: The member for Kanowna concurred with the member for Avon in the statement that the speeches of members should be limited in duration. I congratulate the member for Kanowna on his consistency. Only yesterday he brought forward a motion in order that his views might be recorded in "Hansard" for political purposes. As a result, nearly the whole of yesterday's sitting was wasted on that motion.

Hon. T. Walker: Wasted!

Mr. BROUN: And then the hon. member tries to deprive other members of the privilege of speaking on the Estimates.

Hon. T. Walker: When did I do it?

Mr. BROUN: The hon. member concurred with the member for Avon in the suggestion that speeches in this Chamber should be limited.

Hon. P. Collier: It was your colleague suggested that.

Mr. BROUN: I stand corrected; but the member for Kanowna, when that suggestion was made by the member for Avon, interjected "Hear, hear."

Hon. T. Walker: I did not.

Mr. BROUN: I accept the hon. member's word. However, I was in the Chamber at the time, and I am still of the same opinion.

Hon. T. Walker: I absolutely deny it.

Mr. BROUN: I accept the hon. member's word that he did not concur.

Hon. P. Collier: The member for Kanowna at all events did not exceed the time limit.

Mr. BROUN: A number of members have refrained from speaking on several of the subjects which have come before the House. I did not speak on the Esperance question yesterday, although many members made mention of railways required in their various districts, and although I have as much reason to ask the Government to build a line in my district as many other members have reason to prefer such requests. I did not speak because I did not want to waste the time of the House.

Hon. W. C. Angwin: The Government have just finished a railway in your district.

Mr. BROUN: I also refrained from speaking on the Address-in-reply, because I thought that on the Estimates I should be able to refer to any subject I thought necessary. Therefore to-night I must crave the indulgence of the Committee to grant me a reasonable hearing. Of course, my views may not be worth much—may be worth no more than the member for North-East Fremantle claimed for his views. We now know what value to place on certain statements made by the hon. member. With regard to the Government in power, I reserve the right at all times to be a just critic. Any member of this Chamber is justified in criticising the administration of any Government, no matter where he sits. I trust my criticism to-night will be taken by the Government in the same good spirit as that in which it is offered. I shall have no severe strictures to make, because I consider the Government have a most arduous and unpleasant duty to perform in administering the affairs of Western Australia at this juncture. It has been an easy matter for past Governments to administer successfully since nearly all of them had any amount of money at their disposal to carry out public works—some of them, I am sorry to say, not reproductive works—with the result that a certain amount of employment was created, and that, to a certain extent, industries advantageous to the State were built up. The present Government can have no policy of that kind. They suffer from impecuniosity. All they have to think about is the best means of preventing any further increase of the deficit during the next two or three years. If the Government are only able to prevent the further rise of the deficit between now and, say, 12 months after the war, they will have accomplished something that will place the State on a sound footing. It is certain that we shall have no difficulty, if the Government accomplish that, in stopping the financial drift once the war is over. Many reasons can be adduced for the present financial position. The war, we know, is one. Another reason, which we must realise, is that many public works are over-capitalised as the result of construction by day labour instead of by contract. Their cost of construction has been excessive, and this means that extra interest and sinking fund have to be paid in respect of them.

The final result is that the works, necessarily, cannot show a profit. These remarks apply to a number of works constructed during the past six years.

Hon. W. C. Angwin: Name some of them.

Mr. BROWN: I will name two, if the hon. member likes. Two works which are over-capitalised as the result of being constructed by day labour, instead of by contract, are the Wyndham Freezing Works and the Woorloo Sanatorium.

Hon. W. C. Angwin: Ask the Minister for Works whether the Port Darwin freezing works are not costing a quarter of a million more than the Wyndham works?

Mr. BROWN: I have a fair idea what the Wyndham works would have cost if carried out by contract. Moreover, there are deficits in many of the small works.

Hon. W. C. Angwin: Does not the deficit arise mostly from the railways?

Mr. BROWN: A fair proportion of it results from the railways. It is frequently stated here that the agricultural railways are largely responsible for the deficit in the railway accounts.

Hon. W. C. Angwin: I did not say that.

Mr. BROWN: But it has been stated in this Chamber from time to time. I will presently show that it is not so by any means. I will show that it is the trunk lines, largely, which are not producing as much revenue as they should produce; and this applies more particularly to lines near the metropolitan area and to the suburban lines. I would be able to shorten my remarks considerably if I stated simply that as regards certain hon. members I believe in one-tenth of their utterances and disbelieve in the other nine-tenths. However, I must state my views on various points. The Treasurer has extended to hon. members an invitation to assist him in his financial difficulties. I wish to tell the Treasurer that it is impossible for me to offer him suggestions in that connection, and that I would not do it even were I able. I take it Ministers who have been placed in power, and who administer the various departments, know, or should know, the inner workings of those departments. Therefore it is absolutely to the Ministers themselves that we look for the straightening of the finances. If Ministers are unable to solve the difficulty, no member of this Chamber can assist them; at all events, not to any appreciable extent. The position is exactly the same as if a man in a large way of business, finding himself behind at the end of the year to the extent of a couple of thousand pounds, went to one of his ordinary hands, and, without telling the man anything about the inner workings of the business, said to him, "I am £2,000 behind this year; can you help me to straighten my finances?"

The Colonial Treasurer: I have frequently known of cases where private employers have asked their employees for advice, in much the same circumstances.

Mr. BROWN: That may be so; but I do not think it applies in this case. We have been told that the Government intend to introduce additional taxation measures, and that they also anticipate having to increase railway freights. I entertain no great objection to considering these taxation measures and increased railway freights provided they are not going to prove

detrimental to the residents of outlying agricultural and mining districts. In that case I shall give the Government my assistance in that connection. I must mention, however, that unless I see the Government absolutely doing their utmost to economise I shall withhold my vote for any material increases in taxation or in railway freights. I have always noticed that when Governments are able to secure money easily—this applies more particularly to Labour Governments—they spend it easily. There are many avenues of taxation outside the land and the railways. I would like to see the Government get right at the root of many of our evils. Undoubtedly one of the greatest evils takes the form of horse racing and trotting. The Government ought to be in a position to tax horse racing and trotting, and should tax these sports to the utmost. The people will have these sports; and I say, let the people be taxed for them, and taxed to the uttermost. I do not believe in the Government striking, through taxation, at the man toiling and moiling for a living. Let them get at the man wasting his money in drink and gambling. If it is racing, let the bookmaker's tickets and the totalisator be taxed. If it is liquor, let the liquor license fees be raised. Also let the dividend duties be increased. Again, with all due respect to my friends from the North-West, let the rents of pastoral leases be increased. They could be increased tenfold without the pastoralists feeling it. Then there are luxuries to be taxed. I mentioned this subject to the Treasurer the other day, and I congratulate him on his statement that the matter is now receiving his attention and that he is doing his best to see whether something can be done in these directions.

The Colonial Treasurer: A previous Government suggested a tax of 15 per cent. on luxuries; and the proposal was laughed out of this House.

Mr. BROWN: Why?

The Colonial Treasurer: I do not know. It was laughed out of Western Australia by Press and public alike.

Mr. BROWN: We look to the Treasurer to do his very utmost to straighten the finances. The Treasurer will receive my support if he taxes luxuries and other commodities which are not necessary for our every day life. The Government should be able to judge what are and what are not luxuries.

Mr. Jones: Luxuries are things we do not want ourselves, but which the other fellow uses.

Mr. BROWN: The hon. member might put it that way, but we should be able to define them. I would call a luxury something that could be done without in the ordinary course of living. It would be different if we were living in normal times, but we are not.

The Colonial Treasurer: From a taxation point of view you can only tax a thing as much as it can stand; if you tax it and knock it out you do not get any revenue.

Mr. BROWN: I doubt whether we would ever knock out amusements such as horse racing. A section of the community is so wrapped up in the evil that even if it were taxed out of existence it would be better for all. This applies also to the liquor question.

The Colonial Treasurer: If you tax a thing out of existence will you tell the Treasurer how he is going to get his revenue?

Mr. BROWN: I know that is a problem that has to be solved. But we should never attempt to jump a fence until we reach it. Take the liquor traffic; we hear it said that if it were not for that where would the revenue come from? During the last elections I stated from the platform that I would refuse to support an anti-shouting Bill. I turned down all requests to reduce the consumption of liquor in an unjust way. It will not be possible to reduce the consumption of liquor by passing an anti-shouting measure. The other night I voted against the motion favouring the closing of the bar at Parliament House because I recognise that that would do no good. The evil, however, could be done away with gradually so that it would not be felt, and all the money which is now being spent on liquor would be spent in other directions, and we would have a more prosperous community who would be better able to pay increased taxation. I admit that care must be taken not to over-tax. There is no doubt about it that excessive taxation is harmful and harrassing, and not only that, it destroys thrift, investment and speculation, and it is these things which a country like ours requires to build it up. Then again, when a man is overtaxed he does not try to make any more, he will make just sufficient on which to live reasonably. With regard to education, I do not agree with the remarks of the member for Perth (Mr. Pilkington) when he stated that he would cut down the vote by £150,000. It is necessary that we should have reasonable education in our State, and it is necessary that we should have primary and free education. I would not go further than that. We have a scattered population, and many hon. members are totally ignorant of the conditions under which children exist in our scattered areas. My desire is to see all children treated fairly and equitably; they should be on an equal footing. In the metropolitan area we have a number of secondary schools and we provide free continuation classes, cookery classes, a technical school and a University, and also exhibitions, scholarships and bursaries. The children in the country cannot take advantage of all these things. Why, therefore, should we centralise education in that way? In the metropolitan area many of the children are of parents in receipt of substantial salaries, and who could well afford to pay for the education of their offspring. There are boys in the University to-day endeavouring to obtain degrees who are sons of men, some of them in receipt of between £2,000 and £3,000 a year. That is not right. People in that position should be compelled to pay for their children's higher education. There are children in many of the outlying districts to whom educational facilities cannot be given and who are consequently brought up in almost total ignorance. That is not right. I contend that payment should be insisted upon with regard to the secondary or the continuation schools or the University. The University in Western Australia was not in-

tended to be free, and moreover, I think that when a diploma is obtained as the result of a course of study for which payment has been made, it is regarded with greater value. My opinion is that there should be one central university in the Commonwealth.

Mr. Jones: You would make education a class privilege?

Mr. BROWN: Not necessarily. We are not in the same position as other parts of the world, and I do not think we can afford a university. If the university had not been built, the money which has been expended in the erection of the building could easily have been utilised for the housing of all the branches of the civil service which are paying rent to-day. I would also point out that in the metropolitan area the children are given more attention even in the primary schools than is the case in country districts. I have it on good authority that a head teacher in a central school only takes a class of 25 children, while in some instances in country schools the teachers are given 50 or 60 children to teach; also in some of the metropolitan schools the head teachers only supervise and take no class. Why should that privilege be given to the metropolitan schools and not to the schools in the country? I desire to refer briefly to State farms. I notice on the Estimates that all the State farms except Avondale and Harvey Estate, have a lump sum set down as expenditure. We do not know what is being made from these farms, but for some reason Avondale and Harvey have been put together, and in connection with Avondale the estimated expenditure over the revenue is £65. I notice that practically nothing is being made out of the Avondale estate, though it is one of the finest estates for agricultural purposes in Western Australia. It should be worked to better advantage than if it were in the hands of a private individual, because at the present time neither roads boards rates nor taxation is paid. Something should be done by the Government with this estate; it should certainly be re-classified and cut up into smaller blocks and utilised for soldier settlements. The prices too should be reduced. With regard to the hospitals of the State, the same arguments might be used in connection with them as have been used on the subject of education. The Government have spent a considerable amount of money on the upkeep of the hospitals in the metropolitan area, and the public subscriptions are very small in comparison with the moneys similarly raised in the country. The Perth hospital is by no means assisted by the public in the manner that should be done, and the majority of the patients in that institution are treated free of cost. That is not the case in country hospitals. In nearly every instance those who become patients in country hospitals pay fees.

Hon. W. C. Angwin: Only in some instances. Narrogin does not give a shilling.

Mr. BROWN: Narrogin has always been specially favoured as against other towns. When I was contesting my election I ex-

pressed the belief, which I still hold, that members of Parliament should be reduced in numbers by 50 per cent. I go farther and say that the members of the Upper House should not receive the same remuneration as members in this Chamber, because the work there is not nearly so strenuous as in the Assembly. It may be said that it is impossible to arrange a redistribution of seats which will be fair to all parties. I think that is only drawing a red herring across the track, because, in my opinion, a redistribution could be very easily devised to give equal representation as at present. Another thing the Government might well do is to substitute a trade commissioner for the Agent General in London. This would represent a saving of at least £2,000. I notice on the Estimates that the expenditure in the Agent General's office last year was £1,000 more than in the previous year. There has been a great falling off in railway earnings, and it has been said that the agricultural lines are largely responsible for the deficit in the railway figures. The whole loss on the agricultural spur lines, including interest and working expenses, is only £40,000. The Ravensthorpe line and the Port Hedland-Marble Bar line show a loss of £80,000, while the loss on the goldfields lines is £29,000, leaving the balance of the Railway deficit of £200,000 odd to fall on the main lines. Therefore it will be seen that the agricultural railways are not responsible for any material part of that deficit. A considerable proportion of the loss on the railways could be avoided by efficient working. We require an experienced railway commissioner, able to run the railways in such a manner as to return a substantial surplus instead of a deficit. Owing to the drought of 1914, the succeeding bad seasons and the war, a number of settlers in the dry areas have suffered considerably, and have had to seek assistance through the Industries Assistance Board. Many of those settlers are not in a position to clear themselves from their difficulties, and it will be necessary for the Government to continue to assist them, because, I take it, most of them are near to one or another of the new railway lines, and if we lose those men it will be very difficult to replace them, which means that the railways referred to will be running through unoccupied land. Therefore, the Government must do all that they can to keep those men on their holdings until normal times return, when the Government will be able to recoup themselves the outlay. The fact that the railways to-day run through a good deal of unoccupied country is due to the bad administration of previous Governments in the settlement of the land. The Commissioner of Railways made a very good suggestion when he urged that all new agricultural railways should be run parallel to our main lines. If this proposition had been adopted, we would not have had so serious a disaster as we are faced with to-day. Unfortunately, settlement was allowed to precede the railways, and men went into outback areas, with the result that it became imperative for the Government to assist them by building spur railways, which are seldom profitable propositions.

The Minister for Works: The Commissioner of Railways advised the building of those lines.

Mr. BROWN: I was under the impression that he had suggested the building of parallel lines. Had this been done, and the whole of the intervening country occupied before the next line was built, we would have been in a far better position to-day. Just a few words about the present method of handling our wheat, and the commandeering of that wheat by the Commonwealth Government. The position is by no means satisfactory to those farmers who are endeavouring to make a living by wheat growing alone, for they will soon find themselves in serious difficulties if something is not done in regard to the sale of the wheat. The cost of producing a bushel of wheat to-day is very much greater than it was a few years ago. Everything has increased in price. The farmer has to pay increased freights, increased taxation, and increased cost of plant. On cornsacks the increase has been enormous. In 1910 we were paying 4s. 6d. per dozen; to-day they are 10s. per dozen. It is necessary that we should be guaranteed a certain price for our wheat, either by the Commonwealth or by the State. Alternatively we shall find it impossible to continue growing wheat, and many settlers who now rely entirely upon wheat growing will have to leave their holdings, which will be a disaster to the State. The whole of the wheat scheme requires the strictest investigation. The farmers are not receiving for their wheat anything like the price they should be getting. Shortly after the outbreak of war the Prime Minister commandeered the wheat and made certain contracts with the British Government. A little later some millers in San Francisco approached the Commonwealth Government with a view to securing a supply of 6,000 tons of hard milling wheat. Those millers were prepared to charter a vessel to take the wheat away. The Commonwealth Government refused their offer without giving any reason whatever for the refusal. The Prime Minister, who apparently is the Commonwealth Government in all matters pertaining to wheat, took control of our wheat and sold it to the British Government at 4s. 9d., telling the farmers that they would receive that price for it. In the first instance the farmers received considerably less than that price.

[Mr. Stubbs resumed the Chair.]

Mr. Green: They are getting 9s. 3d. in America.

Mr. BROWN: In offering this wheat to the British Government the Prime Minister wanted to fulfil the promises he had made when in the Old Country. To do it he struck right at the agriculturists. When in England he said we were going to supply the last man and the last shilling, and he has attempted to extract the last man and the last shilling from the agriculturists. I hope the farmers will find sufficient representation in the Federal Parliament to make a good fight for their just rights. The price at which our wheat was purchased was 4s. 9d. In the United

State and Canada the Governments are offering 9s. 2d. a bushel to all who are engaged in the agricultural industry. This is equal to 8s. a bushel at the port.

Mr. Jones: I thought it was two dollars.

Mr. BROWN: The average price was 8s. at the ship's side.

Mr. Smith: That is owing to the freights.

Mr. BROWN: This has nothing to do with the freights. I will allow for that. This 8s. has been guaranteed to the farmers at the ship's side, and the price which should have been offered to farmers in the Commonwealth to equal that is 6s., and that is taking into consideration the difference in the freights. I have a report from the International Institute of Agriculture, printed in Rome. In March, 1907, the freight per bushel from New York to Liverpool was 4s. 2½d. The freight from the old country to Australia is 5s. 4d. per bushel. In the first place the Commonwealth Government commandeered the whole of the wheat, and made a contract with the British Government. They went further than that and gave to two companies the exclusive right of chartering all the boats, namely, Elder Smith and Gibbs Wright & Co., and in addition gave them 4d. a ton. When they chartered these vessels they practically took command of the whole of the shipping because no outside company was going to send its ships out to Australia when they were practically commandeered by the Prime Minister. The British Government themselves are getting the advantage of these increased freights, and are getting a big percentage of the pre-war prices out of the shipping trade between the Commonwealth and Great Britain.

Mr. Smith: They are putting the money to good use in the trenches.

Mr. BROWN: I admit that. But why bleed only one section of the community and not another? We are losing 2s. a bushel on our wheat, which we should have received had it not been for the interference of the Prime Minister, and for his having commandeered the ships for the British Government. We should have received equal to 6s. a bushel, which would mean nearly one million pounds more money circulating amongst the farmers. The Government have paid a large sum of money for the wheat and whilst they are putting money into the farmers' pockets they are taking it out again by way of taxation to raise money to help in winning the war.

Mr. Jones: Whom do you blame?

Mr. BROWN: I blame the Prime Minister.

Mr. Jones: Why were you booming the little waster during the recent campaign?

Mr. BROWN: I was not, I was booming no waster. I was not booming the Prime Minister.

Mr. Jones: I am glad to hear that.

Mr. BROWN: I was out for a principle, and for what I thought was right. I fought for conscription, and am pleased that I did so. I am also pleased that Western Australia supported it so grandly.

Mr. Jones: To send the other fellow.

Mr. BROWN: Had this amount of money been paid to the farmers at least another million pounds would have been circulated in the Commonwealth. That money is now lost, and the British Government are getting the advan-

tage of it. It is true they say they want the money to help them in winning the war. Agriculturists have sent the largest percentage of men to the front of any other industrial community.

Mr. Green: Not at all.

Mr. BROWN: I think so, in comparison with the population.

Mr. Green: The mining centres have sent the most.

Mr. BROWN: I say per head of the population.

Mr. Green: And I say the mining centres which voted no conscription.

Mr. BROWN: From my own electorate alone 250 men have gone to the front.

Mr. Green: We have sent 6,000.

Hon. W. C. Angwin: They have done well at all events.

Mr. BROWN: This money might have been circulated within our own State. This is a matter the Government should take up. By assisting the farmers and seeing that they get full value for their produce they will be assisting the community in general.

Hon. W. C. Angwin: How can you make out that the British Government are benefiting when all their wheat is lying in Australia to-day?

Mr. BROWN: Undoubtedly a large amount of wheat is lying here to-day, but the British Government have had nearly the whole of the 1915-16 crop. It is their own fault if they are not benefiting to-day, because they have been responsible to a great extent for the large amount of wheat that is now lying at our ports.

Mr. Davies: You are absolutely wrong.

Mr. BROWN: Had special efforts been made ships could have been obtained by which a great amount of that wheat could have been shipped away. Why did they not treat with America or some other part of the world?

Mr. Lutey: Because there were no ships.

Mr. BROWN: A firm of San Francisco millers offered to take from the Federal Government 200,000 bushels in one lot and to charter their own vessels, but the offer was turned down.

Hon. W. C. Angwin: There may have been some fear that the wheat was going to feed the enemy.

Mr. BROWN: I take it that this was not so. Had it not been for the Government commandeering the ships and placing the restrictions they did upon shipments, we should have sent a very much larger quantity of wheat away from our shores than we have done.

Hon. W. C. Angwin: The Government were quite justified in doing that.

Mr. BROWN: I should like to say something in regard to the handling of our own wheat by the Government. Contracts have been made with local millers to grind our weevily wheat. I admit that the contracts were made in good faith for the benefit of the agriculturist and the wheat scheme as a whole, but I have it on good authority that the millers who have undertaken the contracts are, the six largest of them, making a daily profit of from £120 to £150. The whole of the wheat pool should be investigated thoroughly, not only the local business but the entire Commonwealth business. We should be allowed to have

a board to manage our own affairs, with representatives on it from other parties, and I feel sure that such an arrangement would result in a very much better position being established than we have to-day.

Mr. DAVIES: If your information is correct there should be an immediate inquiry.

Mr. BROWN: The profit they are making is certainly not below £120 per day, and goes up to £150. What is required to make certain the future of this State are individual effort and industrial efficiency. We must all do what we can to assist in lifting the State out of the mire into which it has fallen. In order to do that, each one of us must work to the best of the capital at his disposal, and every one in the State must do his best to return in his labour the equivalent for the wages he receives. If this is done I am sure, with all the natural resources of the State, its mining, timber, agriculture, and other prospects, which are as good as are found in any other part of the Commonwealth, and with careful administration, if the Government can only tide over the difficulties they are in now, that it will not be long before we find ourselves in a sound financial position, more especially if we get back to normal times in the near future.

Mr. ROCKE (South Fremantle) [10.10]: I do not intend to speak at any length to-night. If we have a deficit in cash, we have a surplus in speech. I am opposed at all times to criticism which is only destructive in character. I sympathise with the Government, and the Colonial Treasurer in particular, in the task which lies before them, especially in view of the fact that in abnormal times the Treasurer is attempting a great task by means of old methods, which in normal times proved inadequate. In these abnormal times these methods must be still less efficient. We must all realise that the whole of our civilisation is in process of changing, and it therefore behoves us to start out upon new lines. The policy of any and every Government at this time should be one of reconstruction. Nobody would accuse Mr. Bonar Law of disloyalty when he said that the task of reconstruction would tax the capacity of the nation more than the task of winning the war. If we are going to reconstruct, we must strike out on new lines. Many suggestions for economy have been made during the debate. It seems to me that some of these have been made with a view to placing the burden on shoulders least able to bear them. I am opposed to taxation being placed upon the shoulders of those unable to bear it. There was quite a little controversy here to-night as to what constituted a luxury. Luxuries might be taken to mean, amongst other things, offices which might be dispensed with at the present time. I would suggest the abolition of all superfluous offices, such as that of the State Governor and the Agent General. I also think that in these times the Legislative Council might be classed as a luxury and might be dispensed with.

Mr. Smith: What about cutting down the number of members in this House?

Mr. ROCKE: I know these are constitutional matters, but if we are going to tackle the question at all we will never do anything

unless we make a commencement, and I think this is the time at which to commence.

Hon. W. C. Angwin: We must have some one in London.

Mr. ROCKE: There is the Commonwealth High Commissioner in London.

Hon. W. C. Angwin: God help us if we have to rely upon the Commonwealth.

Mr. ROCKE: We have heard a great deal about increased production and efficiency. These things are very necessary, but we must remember that many of our producers are out of the State at present, and those who are left behind must be protected from the exactions of the middleman. The member for Mt. Magnet, when speaking the other night, called attention to this fact. I submit that the only way of combating the difficulty is by State control of distribution. That suggestion is not a new one. State control of distribution has been tried in Belgium since the outbreak of war. In the years 1915 and 1916 10 millions of Belgians were fed by a committee which sought to eliminate, and did eliminate, the middle man, thus saving a great deal of wastage, with the striking result that 10 millions of people in Belgium were supplied with commodities at a cost lower than that obtaining in London. As regards Great Britain, the cost of distribution amounts to £400,000,000 every year—an enormous sum. We must realise, too, that it is a charge between producer and consumer. If this matter were taken up by the Government, I feel sure it would go a long way towards helping the State out of its financial difficulties; perhaps it would even go the whole way.

Mr. Green: The cost of distribution in Belgium was only two or three per cent.

Mr. ROCKE: The committee which was entrusted with the distribution made a profit of about 2¼ millions on. I think, a capital cost of 10 or 15 millions. At all events, they made a good profit after giving the Belgian people the necessities of life at lower rates than those prevailing in London. It is a fallacy to suppose that an impoverished community can be taxed. If the State takes up the matter of distribution, and saves the cost of that to both the producer and the consumer, the people will be in a better position to carry taxation which may be placed upon them. The member for Kalgoorlie dealt fully with taxation of unimproved land values. His address was one of the finest I have been privileged to listen to on that subject. The taxation of unimproved land values is a matter for the consideration of the Government at the present time. Such taxation will relieve the railways. Whenever there is a deficit, people are apt to talk about saddling the railways or the civil service. I see not much sense in either suggestion. On the other hand, if a tax were placed on unimproved land values, the City would have to pay certainly far more than the agricultural districts. There seems to be a groundless fear on the part of the agriculturists in this respect. If we had taxation of unimproved land values

in just proportions, railway freights could be reduced, which would be to the interest of the settlers on the land, who should receive every consideration from us at this and at every other time. We all deplore the deficit, but I do not think we should go about so gloomily as we do. I think we should endeavour to kill, if we can, the spirit of pessimism which seems to have overtaken this country. We should be very proud of the fine sinking fund we have built up, of over five million pounds, while the sinking funds of all the other Australian States total only nine million pounds.

Mr. Smith: What about being proud of the big debt we have?

Mr. ROCKE: We are not proud of that; but, still, we have assets. Moneys which have been paid out by the Government, and which are included in the deficit, are now returning interest and sinking fund, and are also coming back. So that, taking everything into consideration, I think we have much to encourage us to go on and assist the Government to keep things going until normal conditions return. We hear much about the wheat stacked in the country. I think it was a good piece of statesmanship on the part of whoever was responsible, to establish the wheat pool, but, at best, wheat or any other produce stacked in the country is only potential wealth, and cannot be called real wealth. That brings me to the question of getting our produce to the markets of the United Kingdom, which are at present closed to us by reason only of the lack of shipping. I am glad to hear the Government have not been idle as regards this question, but have brought it under the notice of the Federal Government. If the Commonwealth authorities will not move, our State Government must do so. We can build ships in Western Australia, we built them 30 years ago. We can supply shipping at a cost of £38 or £40 per ton, and that price is not excessive under prevailing conditions. We have the men and the material. I believe that all the alteration needed in our timber mills to admit of their supplying timber for ship building is an increase in the maximum length of timber they can cut. The maximum length now is 60 feet, whereas for a ship of 1,000 tons burden a minimum of 80 feet is requisite. That should be only a small matter. When normal times return, the ships would still be useful. We should still be able to find employment for them, but, if not, a sailing ship is always saleable to other nations, principally the Norwegians and the Swedes. The railway losses of which we hear so much are due primarily to the closing down of the timber industry. When the world's markets are again open to us, our timber industry will boom, and then the railways will make up some of their leeway. By the way, the ship building scheme might be mentioned in that connection also. The member for Perth, in speaking of the public service, said that every man in the boat should pull his weight or else get out. I agree with the hon. member, although I am opposed to the suggestion of the member for

Gascoyne that the salaries of public servants should be reduced by 10 per cent. Most of our public servants receive only a living wage, if indeed a living wage. Assuredly they have nothing to spare, and to suggest a tax of 10 per cent. on the wages of civil servants is merely tinkering with a great problem. I would, however, demand efficiency from the members of the public service, and I would also insist upon the elimination of waste from that service. In that connection I may relate an incident which will probably interest some members. A little time ago a typewriter ribbon was sent from Perth to the Fremantle prison. I believe the cost of transporting that ribbon from the Government stores in Perth to the Fremantle prison was 2s. 3d. The ribbon was packed at the Government in hessian, and it was railed down to Fremantle, and it was taken from the Fremantle railway station to the Fremantle prison by the Government contractor. The whole thing might have been accomplished by wrapping up the ribbon in a piece of paper, putting a twopenny stamp on the package, and putting the package in the post office. It may seem a small matter, but, if it represents the way in which all the departments conduct their business the subject should receive very early consideration. I am glad to know the Government are having departmental affairs looked into, so that something may be saved in the administration of the departments. Next, with regard to the education vote, which is certainly very large. I think that vote might be decreased in the matter of administration, but I certainly shall be no party to lowering the educational standard of this State, which is at present very high and very fine. This State will in days to come reap the benefit of the education it is now giving to its children. I do hope, however, that the Education Department will find some means of reducing the administrative cost. And the same may be said of the Health Department. That department's vote amounts to £106,610, whilst administration costs £32,400, leaving but £74,210 for our sick and needy. I think that cost of administration is excessive. Again, however, I would not be a party in any way to reducing the vote which would mean minimising the assistance to be given to those in need. There are ways in which the Government can economise without taking from the sick and needy what little comfort the State is able to give them. As regards State control of distribution, the key to the whole situation is public control of money capital. By that means we would direct into reproductive channels money which now is passing into channels of an unproductive character, money going into channels such as those I have mentioned cannot be good for the State. Those channels may be advantageous for the few, but if we can direct our money capital into channels which will yield some return, it will be to the interest of the people. Several members in speaking on the Budget have dealt with the liquor question; but when an attempt was made to do something in connection with that recently, as re-

gards the bar of Parliament House, those who opposed the motion said it merely tinkered with the question. However, I have heard nothing but tinkering suggestions in the speeches which have been made, though I was pleased to hear so many members make mention of the liquor question. It shows, at least, that they are thinking about it. The Colonial Treasurer asked the question, how could he get the money which was to be saved in connection with the liquor traffic into the exchequer of the State? Well, simply by placing the money in channels more productive. That is all that is necessary, because it will increase the capacity of the people to carry the burden of taxation. For instance, we now spend all our wheat money in liquor. That is neither good nor wise. The return which the workers get from the liquor traffic is the lowest obtained from any industry known. In this instance, therefore, a great leakage exists; and I consider the Government should take the question up seriously and deal with it in a statesmanlike manner. If they do so, they will earn the everlasting thanks of the community, if not now, in days to come. We hear a great deal about the 1911 Act in this connection; and we are told that we should keep faith with the liquor people. But in 1911 the country was not at war. Moreover, other people and other industries have had to make many sacrifices which this traffic has not been called upon to make; and, apart from that, I would not think so much of it if the Act of 1911 were a fair one. Whenever we take a referendum on any other question, the people who want what the referendum aims at have to fight for it. They must go to the poll and record their votes. But under the Act of 1911 all that the liquor people need do is to stay away from the poll and thereby gain their end. On the question of the efficiency of the public service, and the necessity for insisting on public officers giving a fair return for that which they get, I notice that on the Estimates the superintendent of the Fremantle prison receives a salary of £456 per annum, and that time seems to hang so heavily upon the hands of that officer that he is able to take a Commonwealth office for which he receives another £150, and in that way keep a returned soldier out of employment.

Hon. W. C. Angwin: The officers do not always get that amount; it is sometimes paid to the State Treasury.

Mr. ROCKE: I hope when we are dealing with the items, that if such is not the case, provision will be made for the sum to be paid to the Treasury to which it rightly belongs. No member of the public service should be allowed to hold two positions. The Premier said a week or two ago that he did not approve of the public servants holding two positions. I might quote an instance of mismanagement in connection with the Criminal Investigation Department. One officer was allowed £25 per annum to look after finger prints. He left the service and the work was transferred to Detective Edmunds at Fremantle, for which that officer

received an additional £10, but the officer who took Detective Parkinson's place received £25. If the finger print work was worth £25, and Detective Edmunds does that work now, he should receive the full amount. Why the officer who took Detective Parkinson's place was given £25 I do not know. These things are typical of all departments and ought to receive attention. In conclusion I would say that if the Government will deal favourably with the questions of the taxation of unimproved land values, economy in administration, the problem of distribution, and the liquor traffic, the trouble of the Treasurer will not be how to deal with the deficit but how to distribute his surplus.

Mr. LAMBERT (Coolgardie) [10.34] I do not know that at this late hour it would be judicious on any member's part to weary the Committee for any length of time. This is not the time when the Opposition need burn a great deal of political brimstone, nor do I believe it is right for the Government to hoist distress signals as the Treasurer has done. I think he made it eloquently and also painfully clear that the limitations placed upon him both in the way of taxation and administration, render his position at the present time almost untenable, and unless he can get from the elements which comprise the party behind him some concrete support for the proposals he is likely to meet the House with, I am afraid the present Ministry will not be very long before it goes to pieces.

The Minister for Works: You will bury us then.

Mr. LAMBERT: I do not know that the hon. member deserves a decent burial. This I would say, if the Government were in earnest in regard to the straightening of the finances: "You know the express view held by those sitting behind you; as a body they are against opening up any avenues of profit in the way of establishing a national industry, and you know there is only one other means of straightening the finances of this country, and that is by adequately taxing the avenues of production and profit existing at the present time." It has been made clearly evident to me by some of the proposals of the Treasurer that his activities and his desires are circumscribed to such an extent that the deficit will remain at practically what it was last year. That is painfully evident to me, and it is painfully evident to members and also to the Treasurer. In the first instance we have certain State industries in this country. It is the desire of some members opposite to close down those industries.

The Colonial Treasurer: It is our desire to make them pay.

Mr. LAMBERT: I am pleased to hear that. I think the Government should get immediately from this House a clear expression of opinion as to whether it is the desire of the House that those industries should be carried on for the good of the country and that there should be an earnest attempt to make them pay.

The Colonial Treasurer: We do not want an expression from the House: that is the determination of the Minister for Works, who controls them, and the Treasurer.

Mr. LAMBERT: The Minister for Works and other members of the Ministry have de-

clared their opposition to the State trading concerns.

The Minister for Works: That is right.

Mr. LAMBERT: If the hon. member were conducting a private business and he had given it out that it was his desire at the first opportunity to sell that business, his action would not make for economy or the conduct of the works on business lines.

The Colonial Treasurer: There are two Ministers here fully determined to make them pay.

Mr. LAMBERT: But I think the House and the country should know whether the Government are in earnest in their desire to still control these industries for the good of the State, and whether it is intended to enlarge them so as to make them more useful.

The Colonial Treasurer: Do not forget that they are tremendously over-capitalised.

Mr. LAMBERT: I admit that, and if mistakes are made it is an easy remedy to suggest de-capitalising some of the undertakings. If the Government decided to do that it would be very pleasing from our point of view. With regard to the Implement Works it would be a shame to the country and particularly to the farmers if any Ministry were to lay their hands upon that concern. It only requires that oft-boasted business acumen which we have heard so much about but of which we have had such a poor shabby and miserable display up to date.

The Colonial Treasurer: That is hardly fair.

Mr. LAMBERT: I am not speaking of any particular department. I believe the Treasurer is absolutely honest in his desire to try and straighten the finances of the State.

The Minister for Works: What about me?

Mr. LAMBERT: I am unable to deal with every Minister or every department at once, but I will say immediately of the Treasurer that with the admitted financial ability which he possesses, I believe he has a sincere desire to straighten out the finances.

The Colonial Treasurer: When I no longer have that desire some one else can take charge of the Treasury.

Mr. LAMBERT: It is the duty of every member to assist the Government in their desire to finance the country on business lines.

The Colonial Treasurer: You should hear the Chamber of Commerce on the Minister for Works because he is trying to conduct his department on business lines.

Mr. LAMBERT: If he continues to do that he will earn the goodwill, not only of the House, but of the country. Seeing that we are not likely to launch out in any big undertaking, it is plainly evident that there is only one other means of getting the wherewithal to straighten our finances, namely by taxation. One avenue of profit is fire insurance. No Ministry could make me believe that they desired to straighten the affairs of the country while allowing that big profit earning avenue to remain as at present.

The Colonial Treasurer: I am exploiting them a bit.

Mr. LAMBERT: It is only playing with them. In view of our financial difficulties, it would be perfectly legitimate to nationalise fire insurance in an endeavour to straighten our affairs. Take for instance the financing of South America.

The Colonial Treasurer: Oh, don't take us there.

Mr. LAMBERT: Western Australia ought to blush for shame at her financing as compared with that of some of the States of South America.

Mr. Green: Their paper dollar is worth about 10 cents, outside their own boundaries.

Mr. LAMBERT: I am only endeavouring to state what I know has obtained in other countries. This fire insurance business is one avenue of profit which should be absorbed by the State. The underwriters have fixed an arbitrary rate for fire insurance, and we are being exploited to the extent of about a quarter of a million per annum. That ought to go to the State. The member for South Fremantle (Mr. Rooke) referred to the amount of money wasted in the liquor and allied trades. It has been seriously contended by many that there is a big waste in this direction. But why does not the Treasurer say that all the avenues of luxury and pastime should be closed? It is a scandal that, in Western Australia, when we are crying out for man power, when our industries are languishing for men, numberless avenues of luxuries and sport should continue to exist. Without indicating them in detail, I hope the Treasurer will show an earnest desire to close some of those avenues and open up other avenues of usefulness and profit. The member for Perth (Mr. Pilkington) in striking language made certain courageous suggestions. Unless he is prepared to back courageous words with courageous deeds, he will find himself a nonentity in the House. His words require to be backed by deeds, and however stern his duty may be, he should meet it unflinchingly. It is all very well for the member for Perth to say that we should cut down the education vote by £150,000. Any schoolboy could say that. While probably the hon. member has not had access to the department, has not been able to obtain the knowledge that would fortify him in making a definite statement, yet, on broad lines he should be able to indicate in what direction that vote can be cut down. If its reduction is going to lessen the efficiency of education in the State that vote should be the last to lay hands upon. I do not think the Treasurer, with his appreciation of the necessity for higher education, will tackle that department while there is waste and inefficiency in many of the other departments.

The Minister for Works: Is it not possible to tackle the department without impairing its efficiency?

Mr. LAMBERT: Probably it is. But we have a right to some indication from the member for Perth as to how the vote can be cut down to the enormous extent suggested by him. There are many other profit-earning channels which should be tackled by the Treasurer. I hope he will take a note of fire insurance, because I feel inclined to move a motion dealing with that subject. It we are to provide repatriation for our returned soldiers and sailors, we should make a State monopoly of fire insurance in the interests of those who have fought for their country. Quite recently

we had speakers on the public platform talking about equality of sacrifice. Has any of them made mention of the equality of opportunity? Have they made any practical reference to the necessity for seeing those brave lads settled back into the various industries of the country? Has there been any practical suggestion put forward? If the Government were to tackle this question they would be showing the country that they were sincere in their desire to make ample and right provision for men who have done such noble service to the country and the Empire. Though the Colonial Treasurer may not feel inclined to absorb these avenues of profit I hope that, if for not other reason than for the sake of the returned soldier, he will resolve to do so. The member for Kalgoorlie (Mr. Green) in a very striking speech to-night made reference to the necessity for encouraging the mining industry. It is certainly in greater need of encouragement to-day than it has been for some time past. We have the Minister for Works and Water Supply dealing effectively with the work of reorganisation of his department. If he will only go on fearlessly and without hindrance from those behind him, I believe he will effect economies which will be of considerable benefit both to the finances of the State and the administration of water supply, and that this will possibly lead to a lessening of the water charges to the goldfields. I would suggest to the Minister for Mines the necessity for establishing a dépôt for the buying up of mining machinery and material. It is a great pity that the party on this side of the House did not embrace the opportunity of doing this years ago, and of buying second-hand machinery and selling it to prospectors and mining people generally. Considerable sums of money have been made in the purchase and sale of second-hand machinery. The people engaged in this work can rightly claim any profit they make from it, but I believe this is one of the best ways in which the Government can assist the small mine owner and the prospector.

Mr. Pickering: It is not too late.

Mr. LAMBERT: That is so. Those people whom the hon. member represents are receiving considerable assistance from the Government.

Mr. Johnston: We are helping the Government, too.

Mr. LAMBERT: Certainly. I say to both hon. members that they can help the mining industry if they will urge the Minister for Mines to start a dépôt at which mining machinery and material can be purchased.

Mr. Pickering: It is part of our platform to help the mining industry.

Mr. LAMBERT: It would not involve more than a small amount of money, and the people connected with the mining industry would benefit to the extent of from £50,000 to £100,000 a year. As the hour is late, I will not now deal with many other matters which should receive attention. These can be dealt with when we reach the items on the Estimates. I should like, however, to ask the Colonial Treasurer, instead of letting down

lightly these insurance companies, to seriously consider the question of the relationship of these companies to the State, to seriously consider our obligations as members of the community, and have regard to the altered conditions which now obtain but did not obtain previously, as well as to the manner in which other countries are trying to straighten their finances along the lines I have indicated, rather than in the pettifogging manner as suggested here by some hon. members. I was struck by the suggestion that members' salaries should be cut down by ten per cent., and that this reduction should also apply to the civil service. Nothing could be more mean and petty than such a display of kerbstone philosophy and taproom eloquence. It was suggested that members' salaries should be cut down by ten per cent. because they were not worth their pay. I am prepared to be taxed under the conditions which obtain to-day. Although there are many constitutional reforms which could be brought about so as to effect economies in the government of the country, I do think that this is one of the meanest, most miserable, and pettifogging ways of effecting economy that one could hear of, and it is the sort of thing one would hear discussed on the kerbstone or in a taproom. It disgusts me to think that men should talk in this manner when they are dealing with three or four millions of money, and the whole of the ramifications of the affairs of State, and when they are also dealing with the many sacrifices that Ministers have to make in the service of their country by coming here. I am surprised that anyone should get up and make such a pettifogging suggestion as this. I for one will certainly vote against it. If the people of the constituency which sent me to Parliament think that I am not worthy to represent them, they will have their remedy when the time comes. I will never consent to be one of a party which is trying, in such a mean and miserable manner, to meet a deficiency of a million a year. If the finances of this country are going to be straightened they are going to be straightened by men who think big things, and not by miserable and petty means. We want our finances dealt with by men who are prepared to do and say and act big things, and I believe that if the Treasurer is prepared to emulate the example of men who have made names for themselves in the administration of the affairs of the country, backed up by his colleagues, that he will be supported by all elements in the House.

Mr. PICKERING (Sussex [10.58]): There is one passage in the Treasurer's statement which I think has caused him more regret than any other, and it is that in which he invited members in the House to give him the benefit of their advice. He has had a redundancy of advice, no doubt. I feel that I have an equal right to place what little advice I may be able to give before the Government. The member for Kanowna (Hon. T. Walker) said to-night that our troubles began with our entrance into the sphere of Commonwealth politics. In a great measure he struck the keynote of the position. He could have said further that al-

though our troubles began when we lost the means of direct taxation through the Customs, we did not realise that we should have kept within the bounds of the incomes then available. The member for Northam (Hon. J. Mitchell) in the course of his speech, laid all the blame for the present position of the State at the doors of the Opposition, and the member for North-East Fremantle (Hon. W. C. Angwin) reciprocated by placing the responsibility on this side of the House. There was a great deal in the argument of the member for North-East Fremantle (Hon. W. C. Angwin) when he said that the Government of which he was a member were left a legacy of something like 900 miles of railway to complete, and several other works of a like nature. I am not going over the figures which so many members have given before, and which we all know by heart, but I do think that in a measure our position is due to extravagant borrowing and the excessive expenditure of loan moneys. I do think that is the true reason for our present position. I wish particularly to touch on the question of the railways. So far as I can ascertain, the capital of the railways, which is variously stated, amounts to £18,637,160, and the total interest charges are £643,764, while the deficiency for the year was **£214,834**. Although the statement has been contradicted, we find that sinking fund has been a charge against the railways. According to the Colonial Treasurer, the railways, when charged with interest and sinking fund, show a loss for the year of £590,561. These figures disclose a very serious position. The reasons to which the loss is attributed are, I think, mainly the falling-off in freight consequent upon the war. The items which show the heaviest losses are timber and wheat. Further, there are increases in running costs and in wages.

Hon. W. C. Angwin: There is also the decrease in fertiliser freights, which accounts for about £80,000.

Mr. PICKERING: That would have something to do with it. I am not saying anything against the grant of the increased wages under the last arbitration award; but they do represent an additional tax. While increases have been given to what may be called the lower grades of the railway service, it appears to me that similar consideration has not been extended to the higher grades. In this connection I wish to bring before the Committee certain figures. Out of a total of 937 officers in the Railway Department, there are 404 men 21 years old who receive between £125 and £190 per annum, and there are 173 juniors who are paid from £50 to £110 per year. Of the total staff of 937, therefore, 577 earn under £200 per year, while 149 earn from £200 to £210. To put it in percentages, 61.5 per cent. earn from £190 per annum downwards, while 15.7 per cent. earn from £200 to £210. The greater number of the officers receiving £125 and upwards are married men. After £160 per annum has been reached, increments are not in all cases automatic. The Arbitration

Court has awarded to unskilled labour £149 19s. 7d. per year, and to partly skilled labour £162 and £173 per year. The lowest wage paid to clerks in the Victorian railway service is £155 per annum, whilst in Queensland it is £160, with automatic annual increases up to £225. From these figures it is evident that those members of the railway service who have given the most study to their business are in the worst position as regards remuneration. I think the Treasurer, when he stated that the total represented by the increase in wages would be £50,000 per annum, must have contemplated increases to that particular class of the service. The increases to those who may be called the wages men are estimated to amount to only £39,000 per annum. To my mind, there is one fine point as to our railway service—that the railway service has been used for development purposes, and that consequently lines have been constructed in areas where they would not have been built except for those purposes. A further consequence is that the Commissioner of Railways is faced with an almost impossible position in his endeavours to finance the railways on business lines. For that position we have to find a remedy, and the member for Kalgoorlie suggested that the remedy would be found in a tax on the unimproved value of land. But it seems to me that that remedy is rather too heavy for the farming community to bear alone. If by that means enough money has to be found to make up the railway deficiency, I estimate, on the returns furnished by the State Taxation Department, that the increased tax must amount to at least 5d. or 6d. in the pound. The member for Kalgoorlie argued that the imposition of a tax of 6d. in the pound on unimproved land values would enable the railways to decrease their freight charges; but according to my calculations, it would take at least a tax of 5d. in the pound to make up the deficiency stated in the Railway Department's report. One method of remedying the position—a method which has not been mentioned in this Chamber to-night, but which has frequently been discussed at farmers' conferences—is the application of the zone system to the railways. Under that system, instead of the fares and freights to outback districts being made greater, the incidence is on the districts close to the centre. That system might be taken into consideration, together with an increase in taxation on land, though the latter should not be of the magnitude suggested by the member for Kalgoorlie. Thus we might meet the difficulty without increasing railway charges to people remote from the markets. With regard to the Education Vote, the member for Perth suggested a reduction of £150,000. I do not think any member of the Committee would support the member for Perth in that proposal. I believe there are avenues for economy in the Education Department, and I think it is well that each of us should suggest any economies which come within his purview. For example, in a school situated in my electorate, and close to where I reside, there have been no less than 20 changes in the staff during a period of 14 years. The cost of transferring officers from one part of the State to the other is considerable; and, besides, the effect of such frequent transfers is prejudicial to the education of the scholars, since it precludes any possibility of continuity

in teaching. If the position I have described obtains in the one portion of the State of which I am cognisant, one may fairly assume that it obtains pretty well throughout the State. I have been unable to gather from the Estimates what is the cost of transfers, but there can be no doubt that a considerable sum is involved. The leader of the Opposition suggested that the minimum age for school children should be raised. Whilst I might be in accord with him as regards raising the minimum age for attendance in urban schools, I most strongly oppose the application of that principle to country schools unless the Government are prepared to lower the average attendance required, because it is only with the utmost difficulty that many country schools are able to maintain that attendance. In fact, that is possible only by including children below the minimum age suggested by the leader of the Opposition. As regards the higher grades of education, I personally am in favour of charging for the advantages of secondary schools and of the University. When the University was first mooted, I was opposed to it because I thought the State had not arrived at that stage of development or of population which would justify the establishment of a University. I consider now that those in our midst who wish to avail themselves of the advantages of the University should be prepared to bear the cost of this particular institution. I am perfectly willing to support the provision of bursaries on the easiest possible terms; but I do not think it is wise, in view of the financial position, to maintain a system of higher education free of cost, at all events during the period of war. I shall therefore support any suggestion that a reasonable charge be made for such advanced education. With regard to medical services, and particularly the assisted hospitals, I think that the hospital at Busselton is one of the most successfully conducted in the State. It shows a credit balance and it is now instituting a scheme by which it hopes to be able to finance itself and so avoid making further demands on the Government. I cannot, however, see why it should not be possible to evolve some scheme by which those who use these institutions might be made to pay. There has been a suggestion on the part of the Treasurer with regard to the systematising of departments, and he stated that he had appointed an officer to do this work in conjunction with the Public Service Commissioner. I consider it should be within the province of the Commissioner himself to do this work. We have heard many statements made about extravagance in connection with the departments. Why should there not be a standardisation of the equipment of offices such as applies to barracks. At the present time any officer can furnish his office or equip it just as he likes. Adverting to the question of the reduction of salaries of members of Parliament, I am opposed to it, but I am prepared to support any proposal for a reduction in the number of members. I think £300 a year is a small enough salary and I would not be one of those to subscribe to reducing the amount. There is, however, one reduction that I would be prepared to support, and it is the taking away

from Ministers of the additional £300 voted to them by the Wilson Government. If any one should be prepared to cut down their salaries it should be Ministers.

The Colonial Treasurer: It is very kind of you.

Mr. PICKERING: When the Treasurer stated that there should be a 10 per cent. reduction all round, I am justified in suggesting that those who can best afford to bear the reduction should have it applied to them.

The Colonial Treasurer: Do you know that the Honorary Ministers are being paid by Ministers out of their ordinary salaries?

Mr. PICKERING: That is not my business.

The Colonial Treasurer: Of course not. I want to give all those who advocated these reductions on the bustings an opportunity of backing their opinions in the House.

Mr. PICKERING: I was not one of them. I am prepared to follow up the pledge I made on the bustings, and it was that there should be a reduction in the number of members.

The Colonial Treasurer: Then you are free.

Mr. PICKERING: With regard to the railways the Treasurer said, "We might easily arrange to stop the leakage in regard to the other £327,000." I suppose when the Treasurer is replying he will tell us how he proposes to stop that leakage.

The Colonial Treasurer: I said we might. That was only what was left over.

Mr. PICKERING: I asked several questions in the House with regard to fertilisers and foodstuffs, and one which I put to the Premier was as to what revenue was obtained from the registration of foodstuffs. The reply was that there was no revenue. I also asked what the number of registrations was, and was told that it was some hundreds. If the vendors of manures derive a benefit from registration, it is only fair that they should pay for the privilege.

The Premier: They would get it back again.

Mr. PICKERING: It was evident from the answer given by the Premier that there should be an amendment of the Act to ensure a guarantee to the purchaser. As the Treasurer is in need of funds it is only reasonable that these people should be asked to pay something for registration. Another tax which has been urged by the agricultural societies is a stallion and bull tax. If the Treasurer wants money there is a source that has not yet been tapped. The imposition of the tax would also bring about an improvement in the breeds.

Mr. Holman: How much would it raise?

The Colonial Treasurer: A tax of £1 per head would bring in a revenue of £500.

Mr. PICKERING: With regard to the State farms it is time that a report was made on the method of working them. The management of these farms has not been satisfactory as was evidenced by the Honorary Minister rooting up the Brunswick orchard which cost the State £5,000. It is advisable that there should be some definite policy in connection with the State farms, and it would perhaps be a good thing to convert them into stud farms or agricultural colleges. The stock at Brunswick could be sold to settlers on extended terms. Up to the present these farms have proved a loss to the country, whereas if Bruns-

wick and Yandanooka were converted into stud farms, there might be a prospect of getting some revenue out of them, and at the same time we would be benefiting the settlers. With regard to the removal of the Commissioner for the South-West and the appointment of the Commissioner for the Wheat Belt to that position, I would like to draw the attention of members to a paragraph in the report of the Agricultural Commission on this subject. This states—

Action in the past which kept the Wheat expert of the department busy in the city, instead of attending to the duties for which he was presumably engaged (i.e., instructing the farmer in the best methods of cereal growing), was certainly a grave mistake.

If the Commissioner for the Wheat Belt who has been appointed to take over the duties of the Commissioner for the South-West was not able to do justice to his own work before, how will it be possible for him to do so now, and how will he be able to attend to the South-West? The duties of Mr. Sutton were distinctly defined when he was made Commissioner for the Wheat Belt. The report of the Royal Commission just as distinctly says that those duties have been neglected. Yet the department now suggests that Mr. Sutton's duties be enlarged to cover the south-west districts. This I strongly object to. However, I see the amount is still on the Estimates, and so I hope it is the purpose of the Minister to once more fill that position. It is time we took the settlement of the South-West seriously in hand. The best way of going about it would be to adopt a system of partially improved farms before settlement. If this policy had been adopted some years ago we might, by this time, have had farms available for our returned soldiers. It is the only policy by which we can open up that densely timbered country. It would give a great deal of encouragement to dairying and to mixed farming generally. A very serious position exists in regard to the wheat marketing board. Mr. Hammond, who was on that board for some time, for one reason and another has been compelled to sever his connection with it. Seeing that Mr. Hammond is one of the most honourable men in Western Australia, and is thoroughly conversant with the industry, it would be well if the Government asked Mr. Hammond to reconsider his resignation. I believe there are several very serious complications in connection with the board and the millers, especially with regard to taking over their holdings at the initiation of the Pool, and I think that a man who has given to the affairs of the board the time devoted by Mr. Hammond without cost to the Pool, should have full consideration at the hands of the Government. Another question in connection with the wheat areas is that of water supply. I understand that the charge to the agriculturist is 2s. 6d. per 1,000 gallons at the main and 6s. 6d. per 1,000 gallons on the extension services, whereas on the goldfields, water supplied for other than mining purposes is charged at the rate of 2s. per 1,000 gallons. If this is so, it seems to me only right that the agricultural industry

should be placed on equal terms with those people on the goldfields who use the water for purposes other than mining. Very fine vegetables have been exhibited in Sandover's window as grown on the goldfields under the water scheme with water at 2s. per 1,000 gallons. There ought to be some reconsideration of the charges levied by the Water Department on the agricultural industry. It is true that the areas in this water scheme are assessed at 4d. per acre. It means that anyone using that water can only use it up to the extent covered by the 4d. per acre at 2s. 6d. or 6s. 6d. per thousand gallons. I think I am justified in asking the Premier to favourably consider the question of reducing the rate to at least that which applies on the goldfields for water used for purposes other than mining. The member for Mount Magnet (Mr. Troy) said that the agricultural industry was responsible for the deficit. I am not in accord with the hon. member. The agricultural industry, it is true, has been assisted by successive Governments, but the assistance has been rendered, not as a gift but as a loan. It is not fair to debit the deficit to the agricultural industry when the money advanced to that industry is by way of a loan. I think a great deal of the troubles which hang about the neck of the Treasurer are due to such works as the Bullfinch railway, the dry dock at Fremantle, and the erection of various buildings on the day labour system. The member for Gascoyne (Mr. Angelo) said he doubted whether an industry that required to be bolstered up so much was worth continuing, and he suggested that, instead of the industry being continued, we should adopt a policy of converting the agricultural lands into sheep runs. When I was in New South Wales a popular cry in that State was for the subdivision of the pastoral areas into agricultural holdings. Apparently the hon. member has reversed this order. The hon. member told us of the possibilities of Carnarvon, but later we heard the member for Mount Magnet discount the value of that district as a field for banana growing. The solution of the difficulties in the drier areas will be found to lie in the combination of wheat and sheep. I now come to the question of repatriation, and I would like to refer to the remarks made by the Treasurer in this connection. He said that absolutely nothing had been done by the State or the Commonwealth in regard to repatriation. This is a most serious position, that at the expiration of three years from the start of the war nothing has been done. It must be evident to everyone that we should have started out on the question of repatriation at the commencement of the war, and not in the fourth year. And yet the Treasurer makes the startling statement that practically nothing has been done. The only solution of the question is that a conference should be held with the Minister in charge of repatriation. It is absolutely essential in the interests of the State and of those who are coming to us, who left us in the confidence that we would do our duty to them on their return, that some-

thing should be done at once in their interests. Several members have drawn attention to their districts, in regard to inducing the Government to develop their districts with a view to settling returned men. We should not, as individual members, seek to attract returned soldiers to our districts. The question is of far more importance than that. It is one which a body of surveyors met in conference stated should be met by a resumption of land along the existing lines. This is a scheme which I think should be carefully considered by the Minister for Industries. The proper course to adopt would be to have a select committee or a Royal Commission appointed to go into the question of finalising a scheme and getting the best the State can give these men in the way of land. What I want to do is this: the Commonwealth are not in a position to judge as to the local conditions in the way of repatriation. Therefore, it is essential that this State should take upon itself the means of formulating a scheme on sound lines, so that the men on returning can go on to the land straight away. Many of these men have been coming back to the State, and time is being lost in settling them. The difficulty arises that the longer the men are out of employment and free from responsibility the greater difficulty there is in settling them on the land. One great aspect of repatriation is that we should only induce men to go on the land if there is a possibility of them doing good. The Government should secure the best land, and place on it those who will get something out of it. Members have talked of putting railways out, opening up unknown districts. If we experiment in that way we are dooming the whole scheme to failure. Our obligation to the men is to do our utmost; they have made the utmost sacrifices on our behalf. I understand the Commonwealth Government, for this purpose, are making available a sum of £500 for each man. If the Government could start on this question of getting places ready for the men, to have the holdings in readiness this would mean not only helping the men, but the State at the same time. I notice one thing in connection with the Colonial Secretary's Department. The Fisheries and Aborigines Departments a few years ago were in charge of Mr. Charles Gale. The departments were conducted by the one staff. Now I find there are two departments with two heads and two staffs. If this is an example of the way in which departments are being run with a view to economy, then a great mistake is being made. I am not going to be a party to handing over any part of this State to the Commonwealth. I think we are at the dividing of the ways, we are in a serious position. We have only to take Russia and other countries to see what revolution means. The State must realise its obligations. The employer and the employee have each their obligations, and it is no good saying that the obligation rests on the one side or the other; each have an obligation to the other. And it is advisable that members of the community who are employing labour, as well as those who are employed, and the

Government should meet in conference and try to arrive at some way out of our present difficulty. We had an instance recently brought under our notice. I refer to the threatened Collie strike, showing what a little lies between disruption and unity. Members should consider this matter carefully and realise the obligations which rest upon us as well as on the people. We should do everything we can to make things work smoothly to the best interests of the State, and with good results.

Mr. WILLCOCK (Geraldton) [11.38]: Every member in this House is agreed as to the very disappointing nature of the Treasurer's statement in introducing his Budget. After the platform oratory to which we have been treated, we expected something practical in the way of finance. The Government supporters must admit that the financial administration of the present Government is in no way better than that of the Government which preceded it; if anything, it is worse. We have been going back considerably more per month than we did when the Labour Government were in office, and I think greater than at any time during our career. The policy outlined by the Premier is contained in three words, "Produce, produce, produce!" Yet the first important retrenchment in connection with the reorganisation of departments has been directly concerned with production, and the producing industries of the State. The pre-essential requisites of successful production is expert advice intelligently given to labour. Pending an explanation as to what actuated the Minister for Agriculture in making the recommendations for dispensing with the services of the agricultural experts, we cannot come to any proper conclusion. But if the Minister thought the officers were no good, it would be just as well that the Minister should make the explanation to the House. On one occasion the Minister did endeavour to make an explanation, but, owing to our form of procedure, he was not able to do so at that time. I, in company with a good many other people of the State, am anxious to know the reason which actuated the Minister on that occasion, whether it was that the experts did not possess the knowledge that they were supposed to have, or whether it was that their services were unnecessary to the State. I propose to refer to one or two matters affecting my own electorate. The people of Geraldton are self-reliant, and do not go cap in hand to the Government. They are trying to help themselves, but if after making this attempt they find that they have not been quite successful and that the time is opportune for them to go to the Government, by virtue of the fact that they have tried to help themselves and be self-reliant they hope that they will be able to place a good case before the Government and will not be denied assistance when it is required. In connection with freezing and canning works at Geraldton, it is proposed to finance these locally. There is a strong probability of the venture proving a success, and it was too important a

matter to shelve until the financial position of the Government was better than it is now. The idea is to start the works by means of local effort, and to this end an extensive canvass is being made throughout the Murchison and other portion of the pastoral districts surrounding Geraldton. A sum of from £50,000 to £60,000 has been promised, and it is considered that this will be sufficient with which to start these works. It is also felt that this undertaking will go a long way towards helping the stock owners out of their future difficulties. The Premier, in his policy speech, said that the Government were prepared to subsidise butter or bacon factories to the extent of pound for pound. In Geraldton the people took up the question of establishing a bacon factory straight away without asking for any subsidy. This factory, which was started entirely by private enterprise, is now in full swing, and it is dealing already, and pretty successfully too, with 40 pigs a week. It has only been running for two or three weeks.

Hon. P. Collier: Is there no subsidy?

Mr. WILLCOCK: No.

The Attorney General: What did it cost?

Mr. WILLCOCK: It did not cost very much. The people came to an arrangement with the local ice works as to the use of a room in that building, and the whole thing was started at an expenditure of £300 or £400. Recognising that the matter was an important one, those interested in the undertaking put forward a proposal for the establishment of a butter and bacon co-operative concern. Capital, however, did not seem to come in quickly enough, and these people were unable to go on with it on that basis. The result was that two or three of the local wholesale butchers got hold of the business, and made arrangements with the ice works, and the factory is now dealing with 40 pigs a week. If these people cannot make a success of the undertaking and it becomes necessary to go to the Government and say, "We did our best, and having done that and not having been quite successful we now require some little subsidy," I think it will be the duty of the Government to give such assistance to the best of their ability. Another matter which concerns Geraldton to an important degree, is that of smelters for base metals, for the treatment of those ores which are found in the immediate vicinity of Geraldton. We have the Northampton fields which are opening up splendidly. It is felt that the expenditure in connection with the smelting of the ore will be altogether too great, because of the necessity for the additional expenditure which would be involved in freighting the product to Fremantle. The general experience as regards smelting works is that the ore has to be carted to the nearest port and treated there. We have only to look at the instances afforded by Port Pirie and Cobbar to know that this is accepted as the general policy. Another matter of importance to Geraldton is in connection with wool appraisement. It has been seriously suggested by the Federal authorities that the appraisement of wool at Geraldton should be cut out. Anyone who visits Geraldton to-day will find bales of wool in every direction.

The Colonial Treasurer: Do the Commonwealth authorities suggest that?

Mr. WILLCOCK: They are suggesting that the whole of the appraisement of wool should be done at one centre, and Fremantle was suggested as the centre for Western Australia. The wool could be stored for a certain length of time, and would then have to be taken to Fremantle to be appraised. That would be a hardship upon Geraldton. That town has already suffered severely on account of the war, and the whole of the prosperity of the wage-earning portion of the community is directly bound up in the question as to whether the appraisement of wool should be continued there or not.

The Colonial Treasurer: Is there much employment as a result of this appraisement?

Mr. WILLCOCK: Yes, there are quite 40 or 50 men employed continuously on that work. Dalgety's recently put up a shed—I do not know the exact floor space involved, but it represents a considerable area—and it is now full of wool. That is only one of the many places in Geraldton which are stocked in this way. If this suggestion on the part of the Commonwealth authorities is really carried out it should be the duty of the State Government to enter a strong protest in the matter.

The Colonial Treasurer: Let us know what is being done in the matter and we will look into it.

Mr. WILLCOCK: Furthermore, it is estimated that during the past week or two quite a million pounds worth of wool has been lying at Geraldton.

The Colonial Treasurer: It should be much easier to handle it locally.

Mr. WILLCOCK: That is so. The people in the business in and around Geraldton have gone to considerable expense in providing floor space for the wool, in order that the work of appraisement might be successfully carried out. I noticed in the "Daily News" about four weeks ago that a very successful test had been made in connection with the coal deposits in the Irwin district, which closely affects the Colonial Treasurer because that is in his constituency. The test went to show that the coal there was as good as the Collie Coal.

The Colonial Treasurer: The test showed 11,000 British thermal units, which is considerably higher than the Collie coal tests.

Mr. WILLCOCK: I hope the Government will be prepared to do their best to open up this coal seam, for this will have its reflex in a bunkering trade at Geraldton. With regard to income tax measures, it is suggested that the exemption should be reduced from £200 to £100, but we do not find any proposal on the part of the Government to increase the amount of exemption allowed in the case of children. The Commonwealth Government, however, allow an exemption of £26 for every child in the payment of income taxes, and only lately the South Australian Government have increased the exemption in the case of children to £20. In view of the very much increased cost of living in this State I think it would be only right and just if the Government here gave a substantial exemption in the case of children. The exemption has al-

ready been reduced in the case of married men from £200 to £156, and it would be only right that they should increase the exemption for children from £13 to £26 per annum. Several suggestions have been made for increasing the revenue of the State, and I think the Treasurer, even at this late hour, is sufficiently wide-awake to listen to a further suggestion or two in this regard. One direction in which we might perhaps raise a little additional revenue is the imposing of heavier rates of income tax. In this connection I have particularly in view the incomes of the producers of wool, who during the past two or three years have done better than they ever did before. Moreover, it has to be borne in mind that but for the misfortune of the war the wool growers would not have received the largely enhanced prices which their product has been bringing. I estimate that the incomes of wool growers have risen by 50 per cent., or more, thanks to the rise in the price of wool and to the excellent seasons of the past four or five years. This latter factor alone would have very materially enhanced the incomes of the wool growers, quite irrespective of the higher price of their product. We know, too, that there have been large increases in the flocks. The income tax returns show that during the year 1913, pastoralists and graziers, who are the people mainly concerned in the production of wool, averaged over £1,000 for 219 persons. In 1914, 193 averaged £1,172. During the year 1915, in which the higher prices prevailed—

The Colonial Treasurer: The taxable incomes rose from £287,000 in 1913 to £473,000 in 1917.

Mr. WILLCOCK: During the years 1913, 1914, and 1915, the latest for which returns are available, the average income received by the pastoralist or grazier rose from £1,034 to £1,664. Moreover, a much larger number made over £1,000 in the last year quoted than in the first. Still, the average amount of income tax paid by these people in 1915 was only £38; and when their incomes had increased by an average of £600 their income tax was only £20 higher. I repeat, these are the one class of people who have gained directly and very substantially as the result of the war. We are told that the rag-shops and other businesses have made money out of the war; but the pastoralists and the graziers are the one set of people whom we can get at through figures—figures so plain that he who runs may read. It is indisputable that the people who control the production of wool have made huge sums of money out of the war. In these times of stress they are benefiting; they are profiting by their country's misfortune; and they should be asked to put in something for the benefit of the State at this period. The member for Beverley said that he could not assist the Treasurer, and that he would not if he could. That I do not think altogether a fair statement. Had it come from any member of the Opposition, there might have been some little explanation for it in the way of personal animus or political bias. But such an observation, coming from a member sitting on the Government

side, seems to show that he does not deserve to be a member of Parliament. The Treasurer invited his 49 co-directors—as he generously called us—to help him with suggestions. I think this must be the first time that any member has said in this Chamber that he would not assist the Treasurer if he could. I regret the member for Beverley is not present, as I would have preferred that he should hear what I say. I consider his observation so important that I direct the attention of the Committee to it. Next, I wish to say a few words on the agricultural industry generally and on the Country party. Looking at the cross benches, I observe that not one member of the Country party is present; only the Honorary Minister, Mr. Willmott, is in the Chamber. Perhaps the members of the Country party will read my remarks in "Hansard," and perhaps they will not. I am prepared to give legitimate assistance to every industry. The Royal Commission on Agriculture have stated what is known to everybody who knows anything about agriculture—and that is that at the present time wheat growing by itself does not pay. Any number of successful farmers can be found to say that if they had had to depend on their income from wheat for years past, they would have been financially gone long ago. Notwithstanding the optimism of the member for Northam, I do not think any competent person can be found to state now that wheat growing, absolutely by itself, is a commercially profitable proposition. In the circumstances, the Government would do well to consider seriously—I think Ministers are pretty well aware of it, too—the advisability of discontinuing assistance to settlers who are dependent solely on wheat growing. If such settlers can be assisted to produce stock or sheep, or otherwise enabled to obtain income from something besides wheat growing, well and good; but, if not, to assist them merely means prolonging their agony at considerable expense to the general taxpayer. The Country party's policy, as given out a couple of years ago, is one of support in return for concessions. Glancing at the way the policy has been panning out, I find that the first item on which the party got to work was the fertiliser railway rate. In respect of that they secured their first concession, which, however, the farmers did not enjoy the benefit of very long, owing to the fact that the fertiliser companies raised the price of their article by almost as much as the railway rate had been reduced.

Mr. Munsie: By a little more.

Mr. WILLCOCK: I suppose it served the party right. Assuming that the Country party and the Westralian Farmers, Ltd., are practically identical, I suppose the political success of the party would be reflected in the Westralian Farmers' camp, and also the other way about. Any remarkable success gained by the Westralian Farmers would, I presume, be reflected in the Country party by way of financial assistance politically. The next concession resulting from the policy was the agency for the State Implement Works, carrying on some lines increased rates of commission. So far as the distribution methods of the State Implement Works are known to me, they were

fairly successful; and I consider that no political party should use political influence to secure an agency for personal ends. The next concession gained under the policy was the absolute control of the wheat scheme. I believe I am right in saying that had it not been for the political representation of the Farmers' and Settlers' Association, the Westralian Farmers, Ltd., would not have secured the wheat agency at the time they did. That is my opinion and the opinion of many members and people outside. They say that if it had not been for the fact that these people were represented in Parliament as they were, this deal would not have come off in the way it did. The farmers throughout the wheat belt are deriving a benefit from the arrangement which was made inasmuch as the profits are going to those who are directly concerned. Right through out the State the acquiring agents have been members of the Farmers and Settlers' Association, either secretary or president or a member of the executive. I desire to say a few words with reference to the money which has been obtained through the Industries Assistance Board. The policy of that board was a temporary expedient to meet exceptionally adverse circumstances, but instead of using the money advanced to them, to make repayments to creditors, a lot of these people who have drawn it have used it to start co-operative stores.

[12 o'clock, midnight.]

Mr. Lutey: That is a serious charge.

Mr. WILLCOCK: Several commercial men in Geraldton have become bankrupt on that account. They were not able to get the money from those farmers to whom they had lent it. Men whose assets were between £20,000 and £30,000 have gone to the wall as the result of this policy of those receiving assistance from the Industries Assistance Board. Notwithstanding the optimism of the Minister for Industries, with regard to the clearing up of the affairs of the Board, we find members of the Country party declaring that if they were on the board they would take care that they would do their best not to get off it quickly.

The Attorney General: Can you give me particulars of the cases to which you have just referred?

Mr. WILLCOCK: I am making the broad statement that a couple of people who had estates which were worth anything up to between £20,000 and £30,000 have become bankrupt during the past twelve or eighteen months by reason of the fact that debts were not paid when the opportunity existed to pay. A prominent business man at Geraldton told me that the money which rightly belonged to people who had stuck to farmers through years of bad times had been used to start co-operative concerns to the detriment of those who had advanced them money in the past. I have no doubt that if I ask for particulars I shall be able to get them and I shall then be able to furnish them to the Minister. The Royal Commission on agriculture included amongst its recommendations one to the effect that a permanent board of agriculture should be appointed and that the board should be free from political control and that it should lend money

at the cheapest rate of interest, not to any industry but to the agricultural industry only. If a board as suggested were appointed, surely the people of the State would have to find the money, and therefore they should have some say in its control. If the board were free from political control what possibility would there be of removing the members of it at any time. The Chairman of the Royal Commission desires the constitution and the franchise to be altered to benefit the farmers generally. He says in his report that democracy is a failure because the producers have not sufficient representation under the present system, and he wants to alter the franchise so that each producer will have a vote according to the size of his family, and in that way get more political power, which could be used for the producers' particular benefit. The Chairman of the Commission considers that farmers have larger families than any other particular section of the community in the State and should have greater political representation. With regard to the question of repatriation, I hope that on the return of our men from the Front, some adequate provision will be made for establishing them in various industries and that soon after the termination of the war, we shall return to something like financial stability. I hope that the incidence of the taxation proposals which the Government intend to bring forward during the present session will be such that it will be borne by those who are best able to bear it, and that it will not be placed on the shoulders of the workers as in the past. The question of land values taxation I do not propose to touch upon at this late hour, other than to say that I am in full accord with the views expressed by the member for Kalgoorlie.

Mr. MONEY (Bunbury) [12.13]: I understand this is a debate on the Estimates of revenue and expenditure for the year ending 30th June, 1918, but it seems almost like beating the air at this late stage to discuss estimates of expenditure when that expenditure has already been carried out. I feel, however, that it is our duty, as far as possible, to ascertain the cause of our present financial position. I have heard many reasons given for our present position and these are mainly that the existing abnormal times are responsible, and that the war is the cause of our finding ourselves in the straits we are in, while it has also been said that two years after the termination of the war the position will right itself, even though at the present time the war is still raging. We have also heard that there is no necessity for drastic efforts being made on the part of the Government to stop the financial drift as those efforts may cause a scare. We heard also that the producers are away and that when they come back it will be all right. Another reason given is that Federation is the cause of all our troubles. During the debate we have heard no sufficient remedy for our position. I think it is our duty to take no notice of what we have heard, but to try to find the true cause of our present position, and see if any of the impressions given are right. There must be some test. I have never heard what the true test is. I have endeavoured to con-

trast the position of our national finances with that of our Government finances, because our trouble appears to be the Government finances, and not the national finances, by which I mean the finances of the people. In considering the Government finances, we have to look at two sets of figures, which I take from the statistics of 1913 and of 1917. In 1913 our deficit on revenue and expenditure was £502,000; in 1914 it was £898,000; in 1915 it was £1,415,000; in 1916 it was £1,927,000; in 1917 it was £2,176,000, and for the 30th June, 1918, it is estimated at approximately three millions. We have there a very serious increase year by year. The loan indebtedness per head of the population in 1913 was £85, and in June, 1917, it had reached £116. In 1913, the net public debt, after the deduction of sinking fund, was £26,967,000, and in 1917 it had reached £35,873,000. I think I have said sufficient on that point to impress all with the very serious position of the State finances. I wish to contrast the national finances for the same period. I take it that trade is well represented by the imports and exports. I will quote merely the larger figures. In 1913 the imports were £9,892,000; and in 1915 they were £8,983,000, or a decrease of £909,000. In 1913 the exports were £8,941,000, and in 1915 they were £8,040,000. So there was a decrease of imports between 1913 and 1916 of nine per cent., while the decrease in exports was ten per cent. That is not a very serious matter, but we find that the State finances come out very differently. I represent a constituency which probably has suffered more than any other in Western Australia on account of the war, and I am trying to disprove that the war is the cause of our financial position. I do not mean to say that certain localities have not suffered very much indeed. As a matter of fact they have; but we are concerned, not with any particular locality, but with the State as a whole, and although certain localities may have suffered, I do not think, taking the whole national financial position in Western Australia, that we can say the state of the national finances warrants the state of the Government finances. The large decreases in the export of our timber and in our gold production are almost compensated by the increase in the value of our wool, our wheat, and our flour. In point of wool, we are well circumstanced. Although our wool has not left our shores, we are being paid for it, and although our wheat has not left our shores we know that we are going to be paid for it. The excess of our wheat our flour, and our wool almost balances the loss of the timber trade and the fall in the gold production. Also, during the past two or three years we have produced very much more of our requirements, more butter, more bacon, and other products which previously we were importing from the other States. In connection with this, our production in 1914 was valued at 15 millions, and 1916 it had increased by three millions. Again, although I heard it stated to-night that the deposits in the State Savings Bank are no criterion of

the people's prosperity, I think that if we can show an increase of a quarter of a million in the savings of the people, even if we have not increased our national prosperity to a corresponding extent surely that increase of deposits is a criterion that at least we have not gone backwards. It shows that the finances of the people of Western Australia are by no means in a parlous condition. In 1913 our population was 314,000, and in 1916 it was still at 314,710. Nor can it be said that because our producers are away we have failed to produce. Indeed, we have produced more than in previous years. I think from these facts we can surely satisfy ourselves that all these impressions that have gone forward are insufficient to account for the present Government financial position. And surely if those who are closer than we to the battles that have been waged are suffering from the high cost of living, we here in Western Australia are prepared to do our utmost to improve the financial position of the State. Our fellow-men have gone to the Front and suffered all manner of privations. Are we suffering many privations here? We are still clothed as before the war. Every day we have sufficient to eat, and that at not very high cost. The picture shows are as well attended as ever. I feel that we out here hardly know that we are at war. And I feel when the people of Western Australia are thoroughly acquainted and realise our financial position, they will be prepared to do their utmost to improve that position. In reference to the cost of living, to give some little idea of what people are suffering in other countries, the "Times" of the 12th December last gives the prices of products in the Old Country—cattle per head £80, at Northampton £90 per head, sheep making £8 10s. per head as an average. That in itself will show the privations that many, many thousands are suffering to-day. We are not suffering. I am satisfied of this, that we are not making that effort here that we should. I as a new member of the House may not quite understand, and it may be the usual progress. Still, considering that we were elected in September last, I feel very dissatisfied with the progress we have made, and if it is necessary to have Parliamentary reform so that we can make better progress I for one shall support any reform suggested. I think this has been realised by members on all sides, and I was agreeably surprised to hear members on the Opposition side to-night say they were practically willing to assist at this juncture. As we all realise the necessity for an improvement, is it not possible to have a round table conference? The position is not what it should be, and we must improve it. I am only speaking on general principles to-night; the details will be discussed when the items are taken. If I can remove the impression that all the excuses which are given for the present financial position are totally insufficient, I will have done something. Times are not abnormal as far as the national finances of Western Australia are concerned. If they are abnormal to-day, they were abnormal in 1914, because we drifted then and we are continuing to drift now. I only put this out as a suggestion and to try and

force members to realise that we must do something. I have been anxious during the debate expecting to hear of some matters of reform. I have not heard of any serious attempt to amalgamate in regard to matters of economy—take, for instance, our Taxation Departments. There is the Commonwealth Taxation Department and our own. Surely they could be worked together; even in connection with roads boards there are many things which might be amalgamated. There should be one assessment. We ought not to have these treble assessments for tax collecting which exist in this country.

The Colonial Treasurer: I think that will be settled now.

Mr. MONEY: I am glad to hear it. I also think we should devise some scheme to amalgamate the electoral departments when we come to deal with Parliamentary reform.

The Colonial Treasurer: The difficulty is the boundaries.

Mr. MONEY: Then it is for us to overcome that difficulty. I think there are many amalgamations which might take place and there are reforms which might apply to the Savings Bank and the Statistical Department. I have advocated for some years past that if we are going to have economical administration, there should be more local administration. I am satisfied that there should be a system by which the administration of the affairs of the North-West should be locally performed. It is impossible for the present system of administration to be economical, and these remarks also apply to the South-West. We want more local administration of local affairs. We shall have to extend our local government if the system is to be more economically and well administered. We are all agreed that there are not sufficient persons employed in remunerative occupations, that we have insufficient producers to the number of people in the State. It seems a difficult matter to deal with, but these obstacles must be overcome. It is said that people used to city life are no good for country life. Why not? People used to the city life in the past have had no experience in military matters, yet they have changed their occupations and become good soldiers in the short period of six months. If we can train citizens to be good soldiers, we can train them to be good producers. It has come within my knowledge that citizens in the old country joined the territorials, that is the mounted infantry and this was soon after the war started. Mounted men subsequently were not required and they were turned into foot regiments within six months. A little later cavalry were required and these same territorials were again changed and became cavalry men. If those citizens could change their occupations surely it is possible for citizens here to change their occupations and become producers. We have also been told that the cause of our troubles is Federation. Then I say it is the duty of Western Australia to even re-open the question and put the matter right. We should find out the cause up to the present. We have had insufficient causes given to us for the present financial

position, but if it is Federation, we must open that question again, and see that a more favourable agreement is made between Western Australia and the Commonwealth. I do not wish to occupy more time, but I do feel it is up to us all to do our best and realise the position and admit that the excuses given are totally insufficient and admit that we have done nothing up to the present time. We have made no progress, we are still drifting and we should determine that the drift should stop. I am sure it must. It is the want of will and determination and not as the hon. member for Katanning (Mr. Thomson) said, a cheer-up society. It is a wake-up society we want in Western Australia.

The COLONIAL TREASURER (Hon. J. Gardiner—Irwin—in reply) [12.29]: When I asked the members of the House to give me their assistance I had behind my head many of the speeches made during the late political campaign. Every member made the profession so far as this State was concerned that the best that was in him was to be at the disposal of the State. I gave them an opportunity quite cognisant of the fact that there would be a lot of words about the matter, and so it ended. I have listened to a large number of suggestions, and am quite satisfied now that to get rid of the deficit is just about the simplest thing on the face of God's earth. One hon. member wants us to have prohibition, and away will go the deficit. Another wants us to drink ourselves into prosperity. Another says that if we adopt the metric system the thing will be done at once. Another says "Tax stallions, and your deficit is gone."

Mr. Pickering: I said nothing of the sort.

The COLONIAL TREASURER: It is rather difficult to assimilate all these ideas, but I say with all thankfulness that I appreciate the tone of the Committee in regard to the present position. I realise that in many instances it is difficult to offer any suggestions seeing that it is said "We have no inside knowledge." But that modesty of criticism there applied did not make itself manifest when it came to a question of criticism. That criticism was, in many instances, offered with the same amount of knowledge that members have of the inside running. I have made notes of what I thought were helpful suggestions during the course of the debate. I will start with the leader of the Opposition. I must say there was something very human in his speech. I am occasionally human myself and recognise, after sitting in the House for two or three years, that he just desired to get back a little of his own. The probabilities are that he carried that desire a little too far, further than his generous nature usually prompts him to go. He made one good suggestion, however, and that was in the matter of education. He said, and I quite agree with him, that we did not want to turn our State schools into State nurseries. For that suggestion, one which afterwards had some tempering effect upon the criticism on the matter of education, I thank him. He did say, and I was

waiting for his fine experience to give us something solid to go upon, that the mining industry wanted encouragement. I was all ears and eyes when he made that suggestion because I thought, with the great experience that he must have had as Minister for Mines, that he might just have said in what way we could assist it, because we all realise that it must be assisted. We also had the member for North-East Fremantle (Hon. W. C. Angwin). If there is one member in the House for whom I have admiration it is the member for North-East Fremantle. His intensity of purpose always appeals to me, and I can hear him, as a Cornishman wild saying, to adapt the words of the poet—

Let Trelawney die,

Then one confounded Cornishman shall know the reason why.

I want to pay this compliment both to the member for Boulder (Hon. P. Collier) and the member for North-East Fremantle, that whatever they may say in this House no two members of Parliament are being more helpful to me at the present juncture than they are.

Mr. Lutey: The leader of the Opposition made mention of a land tax, which you have not mentioned yet.

The COLONIAL TREASURER: That is so. When I was delivering my speech I gave an intimation that this was a tax upon which we were gathering all the information possible with the object of applying it when we could see the opportunity next session. We then come to the member for York (Mr. Griffiths). He started by quoting from John Stewart Mill, and ended up in the vernacular of the "Sentimental Bloke." He settled the whole question. He said in effect, "Have prohibition, then the deficit is wiped off." Let me tell people who talk absolute nonsense of that description and suggest placing a prohibition upon any luxury, I do not care what it is, "Do they really, a sensible people, think that a man who denies himself a luxury, when he finds that this denial has been the means of effecting a saving to his pocket of, say, £5, £10, or £15 in a year, that on his being debarred from using it he will come along to the Treasurer and tell him that here is the money he has saved?" These people never have a second thought. If they had a second thought perhaps they would tell me how I am to get that money into the coffers of the Treasury, for I am bothered if I can find out myself. When people say, "Let this man deny himself," and forget that what they criticise as a luxury for me may be for him a necessity, or vice versa, I say "Do not talk childish nonsense."

Mr. Foley: You would not expect anything sensible to come from the wowser brigade.

The COLONIAL TREASURER: I am talking about the people who speak about another man's luxuries and say, "Debar him from using them and so get money into the Treasury." One would think that the man would come along voluntarily and give me the money.

Never a suggestion comes along as to how I am to get it from him except by the means that I am adopting, namely, that of getting it by taxation. Before sitting down to-night I expect to be able to convince some people that they are talking about things, to investigate which they have never put themselves to the trouble. The member for Perth (Mr. Pilkington) was the next member. He said some weird things. His remedy for the position was violent taxation and violent retrenchment. Surely people must realise, when the community is being taxed, that if it is over-taxed it is going to be killed and that we shall never get the desired result. That never seems to enter into the computations of people at all. I, as a tax gatherer, must tax a man so that he can stand it and will pay my taxation. If one taxes a people violently one taxes it out of existence, and of what earthly use is that to a Treasurer? It is of no use at all. We do not want violent taxation or violent retrenchment. I am sorry the member for Perth is not here to-night. I went through violent retrenchment in Victoria, not personally, for I never was a public servant up till now. But I went through it, and to any man who says to me that the way to get out of our difficulties is to adopt retrenchment methods such as were practised in Victoria, I say to him "You are only removing us one stage from the devastation of war." Had it not been for Western Australia it would have taken Victoria another 10 years to recover from her violent retrenchment. As soon as a Government starts violent retrenchment every private individual follows suit, taking his cue from the Government. Everybody in this State wants to know everybody's business. People are not content to let us go along our own road quietly, and do what we know is necessary quietly. Every hon. member and every newspaper must be told every day what we are doing in order that they may criticise.

Mr. O'Loughlen: That does not apply to everyone.

The COLONIAL TREASURER: Possibly that is going a little too far. Cannot the House trust us? If members cannot trust us, let them get another Government to carry on the business. That is the position. But while we are here let us do that which is here for us to do in a quiet way, so that we shall not have a panic. When anyone talks to me of rectifying our position by means of violent retrenchment and violent taxation I say to him "A child could make the same offer." Then the hon. member comes along with another suggestion, "Drink yourselves into prosperity." That, of course, would probably be a happy death.

Mr. Foley: On cheer-up society lines.

The COLONIAL TREASURER: The hon. member sneeringly referred to this Government as a Government of helplessness. He says, "Get £250,000 from your liquor traffic; I do not know how it is going to be done, but get it." Further he says, "Knock off £150,000 from the Education Vote; I do not know how you are going to do it, but do it." Was there ever a finer example of utter help-

lessness than the making of those two suggestions? Let this never be forgotten: in such a small community as this, Ministers, when they take responsibility, have not only to suggest steps, but have to know something about details. Every time a Minister suggests that one of these things be carried out, he has to back his suggestion by solid sense, which says, "This is the way to do it." Now let us look at the position of the trade from which the member for Perth proposes to raise £250,000 per annum. In 1913 it was computed by the Treasury, in a rough and ready style, that the drink bill of Western Australia was £2,350,000 per annum. On the same lines of computation it had last year fallen by £740,000. Then I am told, "Tax that; you are to get £250,000 revenue from that." Just let me show hon. members what sort of a taxation proposition that is. In 1913 the total available for income tax in the case of hotel-keepers was £282,340. Last year, the Commissioner informs me, it was £160,000. As a taxable proposition, the incomes of hotel-keepers fell by about £122,000.

Hon. P. Collier: The taxable amount, you mean?

The COLONIAL TREASURER: Yes. I am asked to try to get for the State £250,000 annually from a trade which has a net income of only £160,000. That is the position which is proposed to me by the member for Perth. The charming simplicity of some people really amuses me. They say, "Oh, men will still drink; it does not matter; they are bound to go on drinking." But that is childish. There is not a man in this State but knows that there has been a large decrease in the private consumption of liquor during the war.

Mr. O'Loughlen: And so many restrictions have been put on the trade.

The COLONIAL TREASURER: I am not going to ram my personal views on this subject down the throats of hon. members. At present I am merely a tax gatherer. But here is quite a strange coincidence. It was on a Friday night the member for Perth delivered his speech; and on the Saturday morning there comes into my possession this American paper I hold in my hand, the "Sunday Sun" of New York, one of the oldest established papers in America, and one of the most reliable. Let me quote to the Committee the results, in America, of one week's application of a scheme similar to that suggested by the member for Perth. These are the results obtained in 18 "wet" States of the United States—

Facts revealed by the "Sun's" whisky survey. Reports from the "wet" States of the Union show an average falling off of about 20 per cent. in the consumption of liquor during the first week in which the operation of the added war tax on liquor caused increases in retail prices.

Let us not forget that these results were obtained where whisky now, with the added tax on, is 7½d. per nobbler. Here, in our own Parliament House bar, we have to pay 9d. for whisky, while in the country it runs to 1s. If such is going to be the effect in one week—a 20 per cent. fall—where whisky

is 7½d., what is going to be the effect of an added tax where whisky costs 9d. and 1s.? The effect would be such a fall that I, who want to tax whisky, would not have a chance to tax it at all. The Government have been carefully inquiring as to what would be the legitimate method of taxing liquor. The legitimate method is through the licenses. We are taking out figures to show what we ought to tax those licenses; but, as a tax gatherer, if I am to get any revenue from liquor at all, I must not tax the liquor trade out of existence. I repeat, I am not a moralist while I am a tax gatherer. I am in the office of Treasurer merely for the purpose of seeing how much revenue I shall get from any tax which I propose to put on. I have to ask myself, "Can it stand that taxation?" So soon as amateur taxation experts understand that principle, they will be loth to suggest taxation measures without considering the results. Next, the member for Perth talked of the public service. I say unhesitatingly—and I said this when the measure was passed—that the Public Service Act represents a distinct robbery of the public purse. But it is on the Statute-book. Once this State has made even a partisan Act, I am very loth to break that Act. The intention of the Government is to carry out all the reforms they possibly can effect. If and when we find the Public Service Act standing in our way, we will come along to the House with a request for rectification of the position. And there will be no cowardice about us, as the member for West Perth has suggested. Ministers and ex-Ministers know what the difficulties are, and know that it is unwise to take violent measures at the first difficulty which presents itself. I have already stated through the public Press that the Government in about five months got rid of 115 civil servants. The new amalgamation will dispose of 50 more. Probably, when the Lands Department has been got down on the same basis, another 50 will have left. Now let hon. members listen to some facts. I want them to get facts, because numerous mere assertions have been put forward as facts. The total amount of civil service salaries which the Government can deal with, permanent as well as temporary, is £355,000. Let that total be wiped out altogether, and then where is the deficit? That fact in itself should brush away a lot of argument. We are asked what we have done? I venture to say that in the five or six months the Government have held office, they have reduced the public service expenditure by certainly 10 per cent. or possibly 12½ per cent. If the Government reduce that expenditure altogether by 20 per cent. or 25 per cent., and do it quietly, and get the same efficiency as obtains now, they will have done just as much as any Committee can expect on that head. Let hon. members get that firmly fixed in their minds. There is, of course, ample room, and there always will be ample room, for economy: and every day we are exercising economy. Every day we look into things, if we can get any time to look into them. I feel sure hon. members, when they rise here to ask questions as to this and that, very frequently only for their own gratification, do not realise at what cost the replies are obtained, or how little time the Government are allowed to do that work for

not doing which members chide Ministers. The Agricultural Department has kept almost the whole of its staff going and Ministers and everyone else, since this Parliament opened, answering questions.

Mr. O'Loughlen: Who asked them?

The COLONIAL TREASURER: Their names are legion. I wish members to realise what I have just told them. We must not preach economy if we are not prepared to practise it.

Hon. P. Collier: The Minister for Mines has not been worried very much.

The COLONIAL TREASURER: Plain talk will not hurt anyone. Now we come to the member for Northam (Hon. J. Mitchell). Here is a man who says that we want a bold land policy. His idea of a bold land policy is to do what? To settle returned soldiers at Nornalup Inlet 40 miles from nowhere. I have had more experience than he has ever had, or is ever likely to have, of land settlement, and the man who tells me that it is necessary to start years ahead to get the land ready does not know what he is talking about. The hon. member talked of freezing works. The Premier gave an undertaking that freezing works would be established, and I have given an undertaking to find the money for them. Let that end it. Some four or five months ago everyone wanted butter and bacon factories. I taxed the insurance companies with the distinct idea of putting the money into one fund for that purpose. Why do they not come forward now? I will tell the House why. Because as trustee of the public funds, I am going to see that there is an element of success before those factories get my pound for pound.

Hon. P. Collier: I hope you will not be reckless.

The COLONIAL TREASURER: If I do not make sure about the element of success we shall have these factories without supplies. The system means this if success is to be achieved; it means that every individual shareholder must do all he can to guarantee a full supply to keep the factories going. I am not going to advance this State's money unless I am certain that an element of success is there. Now we are not having many applications for these factories, but so long as the Government were prepared to give them everything, it was all right. I said, "Very well, if you are not willing to come along, I will help the freezing works; I will use some of that money for those works because I am not going to have it lying idle, and I am not going to touch other loan funds if I can possibly help it." Now I come to the criticism of the member for Gascoyne (Mr. Angelo). Let me say quite candidly that there are one or two suggestions which the hon. member made which are worthy of consideration. I do not know much about bananas, but the suggestion the hon. member made on the question of hospitals will appeal to several Ministers as being a good one. He suggested that the control of the hospitals of the State should be placed under a board, and we must give practical effect to it. We are educating the people of Western Australia to take charity as a virtue. They are taking it as a virtue and that is one of the evils we have built up.

Hon. P. Collier: In six years the Government grant to the Perth hospital has increased by £8,000.

The COLONIAL TREASURER: That is so, and in the course of our investigations we found that the Northam hospital was paying 3d. a lb. more for its beef than the hospital at York was doing. It just shows how money can be frittered away, and that is why the suggestion of the member for Gascoyne that a board should be appointed to control the hospitals is one that should receive attention. Now I come to the member for North-East Fremantle (Mr. Angwin). I ask in all seriousness, have we not spent enough money in publishing ancient history? I admit there has been a good deal of justification for the "get backs."

Mr. O'Loughlen: If a charge of extravagance is made you have to reply.

The COLONIAL TREASURER: I am making the suggestion alike to both sides of the House. Since I have been in the House it has cost this State thousands of pounds to print ancient history, and it has not been worth it. The member for North-East Fremantle is always most willing to give all the help he can and I appreciate that. The member for West Perth (Mr. Draper) comes next.

Hon. P. Collier: You will find his advice with regard to reducing expenditure invaluable.

[1 o'clock, a.m.]

The COLONIAL TREASURER: The hon. member's speech was quite a good one. It was dogmatic, but he could not help that; we all get dogmatic. It was a very fair criticism. He, too, got at the Public Service Act, and what he did say was one of the things I appreciate. The hon. member said also that our banking accounts should be kept separate. When I left the Treasury before, I insisted on that. There was not a cheque that was not in order at that time, and funds were always there to meet it. To-day there are so many transfers that they would puzzle a Philadelphian lawyer to keep track of them. One will say, "Oh, this is from the Property and Trust account." I remark, "That is all right, but where is the money?" Then I am told that it has been transferred to another account. That kind of thing is inevitable when we juggle with the accounts to try and keep them in order. Then the hon. member for West Perth, not satisfied with making a good suggestion, winds up by making a very silly one when he said that over a transaction we had we got a cheque and had torn it up. I do not want to get into gaol for tearing up the State's cheques, but I want to refer to the particular transaction to show the value of the hon. member's criticism. The International Harvester Company had a guarantee from this State of £9,808 5s. Of that amount £6,058 was due in December last, and the balance was to be paid in two years. The company said, "If you will pay us the £9,808 which you are bound to pay us now, we will accept treasury bonds for the £14,817. I reasoned thus: "I have to pay the £9,000; I will give them a cheque on the Industries Assistance Board." And these people said

"We will take up a bond for the amount"; and they did so. By that process we get £5,000 additional assets; because we had the guarantee and were bound to pay the £9,000, and the farmer will get that at seven per cent. interest instead of at 10 per cent. interest. That is one of the transactions over which the member for West Perth has waxed indignant. Now I come to one of the ablest speeches I have listened to in the House, namely, that from the member for Mt. Magnet (Mr. Troy). One felt the richer when the hon. member had finished. It was a good speech, one which gave me a great deal of pleasure to listen to. There were in it two outstanding points. One, the suggestion—it is not original—of giving a bonus for the discovery of a goldfield. I do not think we would be taking a great deal of risk. But I did not quite understand when the hon. member suggested giving a bonus of £10,000 conditionally on the finding of a goldfield which would support 10,000 people for three years. However, the proposal will appeal to my colleague the Minister for Mines. Then the hon. member came to the question of the Food Prices Bill. I helped to get that measure carried in the House, and I received the bitterest opposition. Why? Because a few men who had an extra few bushels to sell wanted to get an increased price out of the poor beggars who had to buy. I got crucified for supporting that Bill. To-day that Bill would have been of inestimable value to the whole of the agricultural community. I supported this co-operative concern, and I got their conference to accept it. But what one cannot get the farmer to realise is that his selling end will take care of itself, and that it is the buying end that he requires to be looking after all the time. If we had had that Bill, we could have stopped the profiteering. I quoted the liquor traffic a little while ago, and showed how it had fallen. Would you believe that the taxable profits of the butchers and the bakers went up from £76,826 in 1913 to £99,142 in 1915? Apparently when people give up drinking they go in for eating. But if that Bill had been passed it would not only have enabled us to control the commodities of life, but to control eventually the commodities which must be cheapened to the producer if production is to be made profitable. The Committee is indebted to the member for Mount Magnet for a speech which, if it did not open the eyes of a lot of us, it ought to have done. Then we come to a distinct acquisition to the House. I refer to the member for Kimberley (Mr. Durack). He said one thing that captivated me, namely, "I am constantly hearing people ask 'Where is their policy?'" We who have been in the House for a number of years know that this is a sort of cat-call. The hon. member asked if there was something magical in the word. I say no, it is much the same as the word "Mesopotamia." The policy of the Government is planked down in a few words of Kipling's—

I hold that the very best thing a man can do for his land

Is that which lies under his nose, with the tools that lie at his hand.

That is the position to-day. There are lots of things we would like to do, lots of things we must do, lots of things we cannot do. Why? Because at the base of them is the problem where to find the money. Hitherto we have been able to get money rather too easily. Now we are up against it, and people have been so accustomed to a distribution of the loaves and fishes in a financial statement that if it is not promised to them they say "What a mournful, doleful story you tell." How are we going to remedy and build up if we do not know our facts? Any man of business will tell us that if there is going to be a rectification it can only be by a distinct and clear knowledge of how deep we are and where we are financially. They can all call me what they like. I am not going to hide from the shareholders of the State what I believe to be the financial position, and cover it up just to make myself a hero or to seek popularity. Turn to South Australia. What is the policy there? We all read it in this morning's newspaper, "Hold on and carry on." When members start twitting us with "Where is your policy?" I say it is taking us all we can do to hold on, and we are entertaining encouraging hopes of being able to carry on.

Hon. P. Collier: "Hold on" is the policy of every Government.

The COLONIAL TREASURER: Yes. I have heard occasional references to the abolition of the sinking fund. I often hear some at the back of me saying that they would not allow us to suspend it. It is a marvellous thing to me, because no man has stood more consistently for the sinking fund than have I. I have argued it financially and academically, and I have said that the only time the suspension of the sinking fund would be justified was a time of stress. I am going to raise this question much more strongly to the Imperial authorities, and the House may just as well know it. It is urged in that order of ours that we are depreciating the security of the bond holder by suspending the sinking fund. I say we are not. If I have to pay £300,000 of sinking fund, and I borrow the money, even at par, I am not depreciating the security; but if I am paying 6½ per cent. for the borrowed money, and if I have to borrow again to pay the interest, then I am depreciating the security at the rate of £20,000 per annum, and the man who tells me that when I am to borrow at such interest I am not depreciating his security is talking absolute nonsense. What I say is, if I am forced to borrow and pay six and a half per cent., I am depreciating that security unnecessarily. The Premier of New South Wales told me, "we are suspending our sinking fund." In Adelaide I was told, "we are suspending our sinking fund."

Hon. P. Collier: And do their securities depreciate?

The COLONIAL TREASURER: No. If we had to borrow at £6 2s. 6d., then the securities would be depreciated. The member for Perth

(Mr. Pilkington) said that at the end of next year there would be a deficit of £1,000,000. You cannot stop people manipulating figures. I remember some years ago in this House, to a very good old friend, I said, "It is no good talking, there are the figures, they cannot lie," and he replied, "No, but some of my friends who are liars can figure." The member for Perth talked of the paying of the extra fees under the Arbitration Act, £39,000; he said we can make £250,000 from drink, £150,000 by a reduction of the education vote, and then there was the £225,000, which I expected to get from taxation, and then my deficit was to be wiped out. When he sat down, I woke up. Given any reasonable chance the deficit I say will be closer to £500,000 at the end of the next financial year than £900,000. That is unless I am going to be up against some awkward proposition. I hope next year that there will not be £10,000 for elections, that there will not be £32,000 loss on cattle, £52,000 loss for floods, and many other things which this year have been crowded on us. That is assuming the revenue keeps up to what it is this year, but it may be a wrong assumption. If members are going to criticise how I am coming out, they can only criticise on assumption, and I am assuming that I get the same revenue next year that I get this year, but no one can foresee. There may be a shortage in many directions. If there is a shortage or we get strikes, then I do not know where I shall be, nor would anybody else. As to the question of the railways, it comes to this: We think that unless something serious happens, we shall be able to provide the increase for this year without altering the total amount of our expenditure. We have to look into all these matters, and we cannot keep going and stay here all night and work all day. We have no hope of going into these things unless we have time, and therefore I ask members before I sit down—and I am sorry I have had to keep them here to-night for this reason—not to make long speeches, not to make speeches of an hour and a-half. I do not deny the right of any member to make speeches, and I do not want to be hypercritical, but I do say that a speech of an hour and a-half is too long. I hope when we are considering the details of the Estimates, members will say all they have to say, but unless they can suggest some item about which they can tell me something, there is no necessity to waste time. Members have made all the remarks they wish to about the Estimates, but where they see an item of which they may have some knowledge, I hope they will let us know about it. I thank the Committee for their courtesy in listening to me at this late hour.

Progress reported.

BILLS (2)—FIRST READING.

1. Apprentices.
2. Public Education.

Received from the Legislative Council.

BILLS (2)—RETURNED FROM THE COUNCIL.

1. Industries Assistance Act Continuation.
 2. Sewerage Works Validation.
- Without amendment.

House adjourned 1.21 a.m. (Friday).

Legislative Council,

Tuesday, 5th March, 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."]

BILL — ELECTORAL ACT AMENDMENT.

Read a third time and returned to the Assembly with an amendment.

BILL — VERMIN BOARDS ACT

Second Reading.

Debate resumed from the 28th February.

Hon. W. KINGSMELL (Metropolitan) [4.38]: It is my intention of course to support this Bill, but I regret that there should be any necessity for introducing it in this country, which has to a very marked extent for many years past, been free from the pest which the Eastern States have had to deal with. The time, however, must come to any country when, by the natural process of nature, pests which exist in one part of any continent such as Australia is, must spread to the other parts unless definite, drastic, and well considered preventive steps are taken. This has not been done in Western Australia. Of course, people, secure in the lack of knowledge of how terrible a scourge the rabbit pest would be, sat back some 20 or 30 years ago and laughed at the prognostications of visitors who had had experience of the ravages of these animals, and said that such a thing as an invasion could never happen in Western Australia. Time has proved that these people were wrong. Personally I am convinced that if 24 or 25 years ago a rabbit-proof fence had been run 300 miles north of Eucla, and then turned eastward, and if that fence had been provided with what are known as yard traps at distances of one mile, traps which would have added to the cost of the construction of the fence to the extent of only about £5 per mile, I am perfectly certain that rabbits would not have entered this State. And I