

	PAIRS.	
AYES.		NOES.
Sir James Mitchell		Mr. Collier
Mr. Davy		Mr. Wilson
Mr. Richardson		Mr. Johnson
Mr. McLarty		Miss Holman
Mr. Parker		Mr. Walker
Mr. Teasdale		Mr. Lutey
Mr. Scaddan		Mr. Coverley

Question thus passed.

Bill read a second time.

BILL—TRAFFIC ACT AMENDMENT.

In Committee.

Resumed from the 21st May. Mr. Angelo in the Chair; the Minister for Works in charge of the Bill.

The CHAIRMAN: Clause 4 has been partly considered, and the member for Perth has moved an amendment that in lines 5 and 6 the words "prohibit, either absolutely or subject to prescribed" be struck out, and the word "prescribed" inserted in lieu.

Mr. SAMPSON: I support the amendment. We act improperly with regard to traffic matters. If we are to permit buses to run they should be allowed to operate under reasonable conditions. A license having been issued, the desire seems to be to gazette regulations that will make it impossible to carry on operations profitably. It is an unfair method. I realise the difficulties the railways have to face, but surely those difficulties could be grappled with in an equitable way. We have now a steam coach running on the railway between Perth and Armadale. In my opinion that coach is not being used to the best advantage. I understand it does not stop at crossings, and consequently is not giving the people the desired service. On the other hand, the motor buses are operated with only one object, namely, the convenience of the public, which is what should be considered. On various occasions we have asked that an early train should run from Mundaring to Perth. There is a suspicion abroad that until a motor bus comes into operation that train will not run. I hope the amendment will be agreed to, for the clause as printed is far too drastic.

Mr. NORTH: I should like a ruling, Sir, as to whether, if the amendment is not carried, I shall be able to move a proviso. This, if agreed to, will serve to limit the clause, whereas the amendment before us, if carried, will defeat it. My amendment will follow the existing clause and will limit it.

The CHAIRMAN: Then your amendment can come later.

The MINISTER FOR LANDS: I regret to say that members are not ready to go on with the Bill. No notice has been given of several amendments which, I understand, it is intended shall be moved. I ask members to put those proposed amendments on the Notice Paper.

Progress reported.

House adjourned at 10.24 p.m.

Legislative Council,

Wednesday, 27th May, 1931.

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

MOTION—PRODUCTION COSTS.

Action to Reduce.

HON. J. J. HOLMES (North): I move—

That, in the opinion of this House, drastic steps should be taken to reduce the cost of primary production, affecting particularly the pastoral and wheat industries of the State, so that they may continue to exist in competition with similar industries in other parts of the world.

I offer no apology for tabling the motion. This House represents the people that pay the bulk of the taxes, and members of this House, I think, should have an opportunity to express their views on the political situation as it exists to-day. The Notice Paper reminds me of a story I heard of a person who used to deliver very eloquent sermons. There was a dispute amongst the congrega-

tion as to whether he read his sermons or preached extempore. This reached his ears, and on the next Sunday he told the congregation they could select whatever text they liked, hand it to the pulpit and he would preach on it. They handed him a sheet of blank paper. Looking at one side he said, "Here is nothing." Turning it over he said, "There is nothing; out of nothing the Lord made heaven and earth." And that was his text. But we are not living in the days of miracles; we are living in days when we have to work in order to get out of our difficulties. This House has been in session for 14 days during a particularly anxious time, but nothing has been done and nothing said. Representing the taxpayers as we do, surely it is time an opportunity was given for members here to express their views that the country might know what we think of the position and what we suggest as a way out of the difficulty. I said this House represents the people who pay. Looking at the taxation returns, I find that one out of every eight persons pays income tax. Turning over the page I find that one out of every eight owns a motor car, and a good many of those who own motor vehicles do not pay income tax.

Hon. E. H. Gray: A lot of them do not pay for their motor cars, either.

Hon. J. J. HOLMES: Australia, and Western Australia particularly, depends upon primary production, chiefly pastoral and wheat production. We have timber, butter, and other industries, but the principal products of the State are wool and wheat. For a good many years I have stated from the floor of this House that we would never get reform in this State until our credit was stopped. Our credit has been stopped for some time. I said I looked forward with pleasure to the time when our credit would be stopped, but one thing I did not anticipate was that the collapse in the prices of our primary products and the stopping of our credit would synchronise. Anyone could see that we were approaching a dead end and that sooner or later our credit must be stopped. I mentioned the pastoral industry. I shall start in the northern part of the State and work southwards. First I should like to speak of the position of the cattle growers in East Kimberley. The cattle growers in that part of the State have to pay all kinds of charges—land rents about three times as high as they were pre-

viously, two vermin taxes, road board taxes, etc.—and the cattle they are putting into the Wyndham Meat Works, it is estimated, will return them in the vicinity of £2 per head. Cattle going into the works to-day are the calves branded in 1927, and if growers can put one-third of their brandings into the meat works after having cared for them for four years, they are doing well as regards numbers. But they cannot afford to put them in at £2 per head. Taking the figures laid on the Table of the House, I find it costs £4 or £4 10s. to take those bullocks from the yard and put them through the works and on board ship. I am going to Wyndham next month and I intend to see the men employed at the meat works. I am going to tell them they have the best job in Australasia and perhaps in the world. Probably they know it. But the job will not last after this year unless something happens. Growers cannot continue to market at £2 a head four year-old bullocks that in numbers represent only one-third of the brandings, while the cost of putting the cattle through the works and on to the ship is £4 10s. a head. In West Kimberley the conditions are worse. Regulations were passed in 1927 to control the movement of cattle there and elsewhere. The regulations were passed during the time of the Collier Government, Mr. Millington being the Minister. From 1927 until the present, the Government have administered not the spirit but the letter of the Act. By abandoning the spirit and confining themselves to the letter of the Act, they are ruining the pastoral industry, and bid fair to wipe out the great cattle industry of West Kimberley. Let me say a word about the letter and the spirit of the law. Under the Health Act, any policeman can take charge of any woman at any time, my wife or anyone else's wife, my sister or anyone else's sister, but do the police ever carry out the letter of that Act? That power was given to deal with a woman who might be a menace to society. The spirit and not the letter of that Act has been carried out, but the spirit of the cattle regulations has been abandoned for the letter. It is claimed that pleuro exists in West Kimberley. There has been so-called pleuro in Kimberley for the last 30 years. I was in the business 30 years ago and I know all about it. It is questionable whether the complaint is pleuro. Let members imagine cattle

travelling 400 or 500 miles to one of the ports, being loaded on a hot night into the hold of a ship, 400 or 500 of them, shot out into the ocean as soon as the tide rises, and brought to Perth at this season of the year. If the cattle did not contract cold or lung trouble, it would be a marvellous thing. I do not know that any beast has ever developed pleuro down here, but the authorities have made up their minds to keep the Kimberley cattle off this market unless they are put into quarantine yards at Robb's jetty, Midland Junction, or on the Kurrawang line and slaughtered at once. They may be sent to Kalgoorlie in a sealed truck, but anyone knows that a sealed truck consists merely of an ordinary truck with a piece of wire and a seal attached. If a truck of such cattle, supposed to be pleuro-infested, were standing in a siding, anyone could let the cattle go by breaking the seal. A man who makes a regulation of that kind is not fit for the job. If there is any danger, it would arise from the liberation of the cattle. But the authorities have made up their minds that in only the three places mentioned may such cattle be slaughtered.

Hon. G. W. Miles: And they must be slaughtered when they are sold.

Hon. J. J. HOLMES: Hitherto cattle have been brought down in large numbers. Those not fit for slaughter were bought by graziers and sent out to the pasture land, and those cattle provided the beef supply for the summer. But they cannot be sent out now. Three or four butchers are buying the cattle at their own prices. If the public were getting the benefit, I should not complain so much, but the public are not getting the benefit. Every bullock that comes down, whether fit for slaughter or not, is put into one of those yards and sold irrespective of the price it brings. Let me give an instance of what has happened. The other day 280 cattle were sold down here. They came from West Kimberley and were fit for any market in the world. I have visited the butchers' shops, and seen the cattle sold myself. One could hardly see the meat for fat. Of those bullocks 280 were sold, and after payment of all charges they netted the owner 16s. 9d. per head. The position is bad enough at Wyndham, where the owner gets £2 per head; but these beautiful, well-bred cattle, easily turning the scale at 800 lbs., returned the grower, after he had nursed

them for four years, 16s. 9d. per head. For another lot of 158 head of cattle, the grower received 16s. 1d. per head, out of which amount he had to pay a droving fee of 5s., reducing his net price to 11s. 1d. I will mention one more case, a case that is still worse. A Kimberley pioneer brought down 140 bullocks, and, after payment of all charges he had lost his bullocks and had to find 6s. per head to cover expenses. These figures can be verified. In such a country as this, dependent upon primary production, and primary production only, is that kind of thing to be allowed to go on? I will presently tell hon. members who is behind the gun. The pastoralists I refer to are men who pioneered the country, who pay all charges, pay land tax and other taxes. If such charges are not included in the charges I have mentioned. The charges have referred to are those between the station and the butcher at Fremantle. The cost is £6 11s. per head, and £4 10s. of that is paid to the State steamers. The results I have quoted are those from the consignments made by Kimberley pioneers.

Hon. G. W. Miles: Pioneers without Government assistance.

Hon. J. J. HOLMES: I will come to that aspect presently. I have referred to the possibilities of pleuro. So far as I know that is what brought about the enforcement of the letter of the regulation and not of its spirit. Mr. Millington carried out the spirit of the regulation, and Mr. Ferguson is carrying out the letter. I understand that at Maida Vale in the hills adjacent to Perth, on a place owned by Mr. Frank Wittenoom, there were 20 head of cattle which had come from Kondinin. I believe they were a breeding strain, not a Kimberley beef strain at all. Amongst the 20 head one was said to have pleuro. Those cattle had no connection with Kimberley at all. The bullock said to be infected was slaughtered. At Mr. Wittenoom's request the other 19 bullocks were not slaughtered, and no trace of any disease could be found in them. Those cattle were confined in a paddock and pleuro, it is stated, can be communicated only by contact. It is said that the cattle must smell one another before they can infect each other with pleuro. In this 100-acre paddock one bullock was said to have had

pleuro, and yet the other 19 were found to be clean. This case of pleuro has been the reason for enforcing the letter of the regulation. Another peculiar feature is that of the cattle in an adjacent paddock which were inoculated for pleuro, two died as a result of inoculation, and the rest were liberated. But one cannot induce the Stock Department to release cattle on any area north of a given line. Clean or not clean, as far as Kimberley is concerned, the cattle have to stop there. Another thing which concerns this Chamber is that it has been the custom to fill the ships at this time of the year, and to sell the fats as fats and the stores as stores. Kimberley cattle are not now allowed to come overland. This part of the State depends upon Kimberley directly after winter for its beef supply. In the summer the cattle that have been sent down as stores, and such cattle as have come overland, supply the demand. But no cattle are being sent down as stores this year, and none are coming overland. So far as I can see, no cattle will be shipped next year if the present regulation remains in force. Then we shall see what will become of the local meat supply. The cry is to buy local goods. My belief is that we shall be buying eastern beef for six months. The pioneers of the Kimberley country are being hampered in every direction. One would hardly credit it, but it is a fact that this State has already spent on the reconditioning of the Canning Stock Route, according to information obtained from the Government, £16,428; and another £6,000 is to be spent to complete the work. The estimated total cost is £22,500, and not one bullock is to be allowed to come over that route! Can one imagine anything more dreadful? It seems to be a matter of not allowing the left hand to know what the right hand doeth. Is the department that is spending £22,500 on the Canning Stock Route for the purpose of enabling bullocks to be brought down aware that another department absolutely prohibits the travelling of those bullocks? Another aspect is the neutral zone, where there never has been tick. In that zone there are some big stations. One of those stations, in particular, cannot travel its stock south owing to the regulation, and cannot travel them north for shipment via Derby because that would take them into the tick-infested area. Let me explain that aspect. After some

years cattle become immune to tick, but not to tick fever. I understand that a calf suckled by its mother will be practically immune, not to tick, but to tick fever. Here is this big herd, that has never had tick, prevented from coming down because of the hard and fast regulations; and it cannot be taken back for shipment because it would have to travel through a tick area to a port, the result of which would be that the cattle would either die of tick fever on the track or on the ship. All this has been done, what for? To save the dairy herds of the south. The people I represent are quite satisfied to have a quarantine line drawn that will keep Kimberley cattle out of the south. Let us have a quarantine area. But to declare that cattle shall not come out of Kimberley except by boat and shall not come alive out of the yards here, means annihilation of the Kimberley cattle industry. The Kimberley pastoralists pioneered the North 40 years ago with their own money. The group settlers pioneered the South with our money. We have already written off £3,000,000 on account of group settlement, and I understand there is a lot more to be written off. Let hon. members figure it out. Three millions written off! The interest on that alone amounts to £500 per day. What is the object of group settlement? To produce butter that is sold 6d. per lb. dearer in Western Australia than in London. But here is a cattle industry that can stand on its own bottom if it is given the opportunity. On the other hand the dairying industry of the South-West cannot exist except by hoodling the people of Australia—all the butter producers are in it—to the extent of 4d., 5d. and 6d. per lb., the surplus being sold on the London market at so much less than the selling price here. Kimberley cattle can travel through the Northern Territory across to Queensland, and be fattened there and travel down to the South Australian market. The Kimberley pastoralist who sold bullocks a couple of years ago can go into the Adelaide or Sydney market and see his own brand of cattle being sold in the yards there. He cannot see them being sold here. They are not allowed to come here. I understand that at present one big Kimberley pastoralist is travelling cattle from Kimberley across to South Australia. He is permitted by the South Australian Government to do that, but is not permitted by the Western Australian Government to move them south. Is that the way we are going to patronise

local industry? Is that the way we are going to get back to prosperity? The people responsible for such a policy have been reared in a school different from that in which I was brought up. In Mr. Troy's time as Minister for Lands, I believe, cows for our dairy herds were bought, but they were all bought from the northern portion of New South Wales, which is said to be free from pleuro. But I understand that the departmental officers who insist upon Kimberley being quarantined have lifted that regulation so far as dairy cows are concerned; and cows can be brought here from anywhere in the Eastern States provided the veterinary officer certifies that the area has been clean for three months. As regards the large station in the neutral zone, it has been established for 17 years, and big cattlemen are prepared to buy those bullocks and to keep them in a neutral zone for two years, while they grow up and fatten; but those cattlemen are told that the bullocks cannot be shifted from the station they are on. Yet we bring dairy cows here from South Australia, Victoria and New South Wales on the certificate of a veterinary surgeon, and send them right into the group settlements. If that is the way we are going to bring this country back to prosperity, it is beyond my comprehension altogether. Let me come further south and take the sheep and wool industry. Sheep cannot be sold up North. It would not pay to bring them down; the charges are too high. As regards wool, the Western Australian value of the product for 1928 was £5,000,000; for 1929 it was £3,900,000; for 1930 it was £2,800,000. It will be seen that the wool value in those three years has dropped by about 50 per cent. All the charges have been maintained, all the land taxes, all the road board rates, and the two vermin taxes: but wool in 1930 realised about half of what it realised in 1928. These charges also apply to the Kimberleys, and as far as goods going there from this part of the State are concerned, the residents of the North have to pay three wharfages, plus 20 per cent. They pay wharfage on the goods as they go over the Fremantle wharf because the merchant adds it to the cost of the goods. The merchant then sells to the people of the North, and then there is the outward wharfage at Fremantle, and on arrival at the port of destination there again is inward wharfage, twice what it is at Fremantle, plus 20 per cent., and the

higher the rate the greater is the plus. Yet we ask people to go to the empty North and stay there to develop it! There is another matter I wish to refer to before I leave the northern part of the State. The people in the Gascoyne vermin area, when rabbits first made their appearance in this State, were permitted by an Act of Parliament to declare a zone and fence it in. The people in the Gascoyne were alarmed at the rabbit menace and they fenced that area. They borrowed £66,000 from the Government and they are paying 10s. per thousand acres as a vermin rate, an amount which was as much as their rent. They paid this for many years and then decided to abandon the fence. They declared it to be their own fence and said they could not maintain it because of the kangaroos, emus, storms and floods, but at the same time they determined to keep on paying their 10s. per thousand acres until they liquidated their liability. When the Mitchell Government were in power on the previous occasion they sent out an army of inspectors and men, and spent £17,000 in effecting repairs to the fence, and in subsequent maintenance. The fence was not any security of the Government at all; it did not belong to them. The security of the Government was the Crown leases. I had the matter in hand, and it was intended to sue the Crown for the return of the £17,000. Unfortunately, however, we were not permitted to sue the Crown; the Mitchell Government would not grant us the necessary permission. We tried to make the Government give us credit for the amount. Mr. Maley, who was then a Minister, put up a Bill to amend the Vermin Act, and in that he proposed to catch these people for the £17,000 that was wrongfully spent by the Mitchell Government, but it did not come off. He declared he was doing nothing of the kind, but I went to Mr. Sayer, the then Solicitor-General, and he said, "Yes, if you allow that amendment to go through, you will catch those people for £17,000." When I submitted an amendment to the Bill that it should not apply to the Gascoyne Vermin Board, the Bill was dropped. Subsequently, when Mr. Collier came into power, we went to him, and he said that if the matter had not been dealt with by his predecessor he would probably have given his consent to our proposal, but as his predecessors had decided otherwise, he could not assist us. Now the Gascoyne people—and they are a

bare handful—are paying about £5,000 a year to clear that liability. There is about £17,000 owing to the Government, but the Government declare the amount to be £52,000, because they have plussed the figures with interest on the £17,000. My advice to those people is, “Pay what you owe, that is, the £17,000, and let the Government take you into court, and thus see exactly where they stand.” The charge of £5,000 a year is something the district cannot possibly carry. The leases have about 17 years to run and the lessees are prepared to pay £1,000 a year over that period, plus interest, to liquidate their liability. Is that not an honourable proposition? They do not know whether they will get a renewal of their leases or not. Instead of paying £4,000 a year for four years, they say that they will pay £1,000 a year for 17 years, and if there is anything due at the expiration of that period, they will pay it. Will the Government agree to that? I ask then whether the Government’s way is the way to handle a position like this. Is it the way by which we can return to prosperity? It will be noticed that the motion refers to the pastoral and wheat industries. At the same time I do not lose sight of the other industries. The goldmining industry is well catered for just now. Incidentally I might mention that I gathered from an interjection in another place that the group settlers, although they have had a great deal written off their properties, are to receive generous treatment under the Workers’ Compensation Bill now before that House, inasmuch as the Government propose to pay the settlers’ insurances under that measure. That was the conclusion I came to as the result of an interjection by Mr. Troy. Presumably the Government declare that as these people owe the State such a lot of money, it is wise to look after them for fear anything happens to them. But there is nothing about other people. I find that in 1928 the value of wheat production to the State was £8,000,000. Is that industry worth looking after? In 1929, its value was £7,590,000, and in 1930 it was worth £6,900,000. This year I should say the value would be in the vicinity of £4,000,000. What will happen to the wheat-growers, bearing in mind the fall in value in such a short period from £8,000,000 to £4,000,000? We hear a lot about the serfs in Russia growing wheat under the whip and

being driven to do this, that and the rest. Imagine what is happening to the ordinary wheatgrower in our country. Are the conditions here any better than the conditions in Russia? Is not the whip applied to our farmers by way of taxation? First of all, we have two land taxes, and whilst I am on this I might refer to the amending Act we passed last session to allow the Commissioner to make adjustments every year instead of every five years. The present Leader of the House said then it was too late to make revaluations for that year, but he thought that 30 per cent. could be taken off the values this year and next year there would be a complete revaluation. The Commissioner of Taxation answered that by in some cases putting up the value 100 per cent. In another place Sir James Mitchell said that some of the farm lands were of no value at all at the present time, and he used the same words as the Leader of this House, that the Commissioner would be given power to reduce valuations. What did the Commissioner do? In the City of Perth, where rents have gone to the pack, he increased certain valuations 60 per cent., and in some places in the country no less than 33 1/3rd per cent., whilst in others the increase was 100 per cent. on the original value. Wheat-growing has to be made to pay in this country, and we can only make it pay by reducing costs. We cannot have cheap railway freights and dear coal. I do not know whether I am permitted to mention coal at the present time, but I should like to say that the man responsible for taking out from the contract the clause giving the right to the Government to cancel at three months’ notice, should not be in Parliament to-day. I have never been able to find out why that cancellation clause slipped out of the agreement. We hear a good deal just now about the cancellation of agreements with bondholders, but the cancellation of the coal contracts made with the railways would not be any more dishonourable than that proposal. There is not the slightest doubt about it that we are paying 3s. to 4s. per ton more than we should be paying for coal. We have people growing wheat 30 to 40 miles from a railway. We can travel along the railway lines and notice land alongside many railways in respect of which none of the conditions have been fulfilled. There is land that has been purchased by the speculator adjacent to

railway lines and nothing whatever has been done with it. The Government could deal with holders of conditional purchase areas for non-fulfilment of contracts and by compelling the growing of wheat close to the railways, assist to make the railways pay. But that is not being done. Did not Sir Hal Colebatch, when he was Leader of this House, say to us, "By what right do these people hold land beside existing railways and do not do anything with it?" He asked that we should give the Government the right to take it away from them, and we gave it. But the Government have never exercised that right. Sir Hal Colebatch quoted the words to be found over the portals of the London Stock Exchange. He quoted them in Latin as they appear there, but not being a Latin scholar I shall give their meaning, which is "The earth is the Lord's and the fullness thereof." We are sending people miles away to the back country to grow wheat. If we could save 6d. a bushel on cartage there would be the opportunity to put that wheat on the railways 6d. cheaper than is the case now. We cannot part with the wheat industry, but we must reduce the cost so that we may put the product on the world's market at the right price. Pick up the Railway Commissioner's report and we find that 11,000 men are engaged in the railway system. Pick up Sir James Mitchell's Budget statement and we find there that he expects to get £300,000 more this year from the railways than he received from that source last year. What do we find? The Railway Commissioner tells us that after he has finished carrying wheat and fertiliser there will be practically no traffic for the railways. What will happen then? We shall have to make traffic for the railways. We have to see that the people who bought land and are not using it are forced to use it. The House has given the Government authority to do this, but they have not availed themselves of the opportunity. I understand that in New South Wales the freight on wheat within the last few years has gone up 100 per cent. At some of the out-stations it has risen from 3d. a bushel to 6½d. a bushel. The same thing must have happened here. Every extra penny in freight is a penny off the wheatgrower, and the producer cannot stand it any longer. He must be able to sell his wheat in the world's market, other-

wise this country cannot remain solvent. The grower takes his wheat to the stacks at the railway siding, but is not permitted to put it on the stack. This is too good a job for him. The wheat lumper, a member of a close corporation, must do that work. I have been told that some lumpers receive £1 0s. 10d. a day for stacking wheat. Is the wheat-grower going to stand that and live on boiled wheat and wild honey, while the unionist gets £1 0s. 10d. a day?

Hon. V. Hamersley: Some are making more than that.

Hon. J. J. HOLMES: I am trying to give facts. This sort of thing has to end. One solution of our difficulties is to suspend all Arbitration Court awards. I can take members through the city of Perth and show them in one house a husband and wife with no family, the husband working 44 hours a week under an award based on five persons, although in that house there are only two persons. Not far away I can show members another family in which there are three or four children, and the father has no work to do. Industry cannot carry the present rates of pay, nor the hours. Is it fair that on the one hand a man and his wife should receive pay based on the necessities of five persons, and another man who is just as fond of his children as any father in this House, cannot find means to provide them with the necessities of life? In some mansions the children are sent to the nursery, and their parents scarcely ever see them, but in a humble cottage children are part of the home, and are very much the close care of their parents. Is it fair that one man should live in affluence, and another be starving because of an award of the Arbitration Court? The whole thing is monstrous. We talk about the cost of production and reducing costs. The place to commence is in this Parliament, the highest tribunal in the land. Years ago, when I was a member in another place, drawing no parliamentary salary, we could walk about the country with our chests out and be proud of the fact that we were members of Parliament. To-day if one goes into a strange part of the State one hides one's badge and slinks along with his head down in shame to be discovered as a member. Is that the sort of thing for the highest tribunal in the land, one that the whole community ought to be able to look up to? I know what has

brought about this degradation, and I will tell members directly. In 1890, before Federation, when we had the army and the navy, the Customs, the Posts and Telegraph services, etc., there were four Ministers at £600 a year and the Premier at £800 a year, a total of £3,200 with no payment for members. Ten years later there were five Ministers each drawing £1,000, and the Premier receiving £1,200, while members drew £200. Then we federated and lost the big departments I have referred to. To-day we have seven Ministers drawing £1,500 a year each. This was brought about by a clever manipulation of the Parliamentary Allowances Act, by which the parliamentary salaries were added to the Ministerial salaries. This brought about the change from £1,000 to £1,500 a year. The Premier receives £1,700, which makes a total outlay of £12,200 a year on Ministerial salaries. We should take 33 1/3 per cent. off those salaries. The extra £200 a year that is being paid to members was stolen from the people of the country, and has got to be restored to them.

The DEPUTY PRESIDENT: Order! I hardly think the hon. member is in order in saying that money was stolen, inasmuch as the Bill was agreed to by both branches of the Legislature. The hon. member is running very close to a reflection upon Parliament when he uses the term "stolen." I know he does not mean it in its strict sense.

Hon. J. J. HOLMES: If it is not stealing to beg people to send one to Parliament at £400 a year and, after getting there, help oneself to £600 a year, I do not know what stealing is. Those who are responsible for that are sailing close to the mark and not I. I will tell the House this much. I discovered there was an agreement with the then Premier (Hon. P. Collier) that he would put up a Bill if he was assured of the support of a majority of members of both Houses. I thought I had a majority of members in this House pledged to oppose it. I went to the Leader (Hon. J. M. Drew) and said, "I do not want your Premier to be let down. You cannot carry that Bill in this House." The Leader of the House replied, "I will see the chief." I then received an answer that the Premier was going on with the Bill. He knew more than I did. He knew there were three members in the bag who had promised to vote against the Bill

but who would not be present at the division. That is what occurred; that is how we were beaten. When the opportunity comes an enraged public will demand that the money shall be given back to them, and, if I have to lead them in the attempt, I will do so. The cost of the State Parliament is, salaries £56,700, and incidentals £28,500, making a total of £85,200, less 10 per cent. Can the country stand that? Let me tell members what it costs to run the Federal Parliament. It costs £25,000 a year in wages alone to pay 89 gardeners £5 10s. 6d. a week to grow bouquets for Federal members and their wives. That was not mentioned at the Premiers' Conference. Is that going to be tolerated? We talk about the standard of living. I am one of 12, and was the delicate one of the family. Johnny Walker was born in '71 and is going strong, and I was born in '66 and am still going strong. I have had many a good feed of boiled wheat and wild honey. That is the diet to stay a man up on a cold day. Many people will have to come back to something of the kind. What is the standard of living? It is represented by motor cars, picture shows and cocktails. Where has this money gone? Mainly to America, to picture show companies and motor car manufacturers. Thousands of people are driving cars to-day who will not be doing so at this time next year. What brought about this climax? It is the pernicious party system of Government in Australia. There are two parties. One has been travelling around the country promising the earth, and the other has been promising the universe. Another party will soon be promising the heavens above and the waters under the earth. They will promise anything to get into Parliament and adopt any measures to keep there. I am not a Nationalist, or anything. I refuse to be a member of any party while I belong to this Chamber. When certain Bills have come along from the Labour Government I have helped to pilot them through the House. The next day I have cut some other Bill to ribbons because of its pernicious clauses. The trouble is that if a certain Government are in power members will put out legislation that makes for its advancement; whereas if another Government were in power they would put through any Bill that came down. This is the result of the introduction of party politics into this House. It is responsible for half the legislation that is crippling us to-day, and should

never have been passed. There have been the vote-grabbing politicians, who have been a menace to the country. They will promise anything in order to get votes. I quoted once before from the Bible, and made a mistake, the only Biblical one I ever made. It was Jacob who put on the goatskin. He wanted to bluff his father and he put on the goatskin to deceive him. The father said, "The voice is the voice of Jacob, but the hand is the hand of Esau." There have been too many Jacobs in the country and the public will find them out. They will not any longer be able to hide under the goatskin. The vote-catching politician has been the curse of this country. Then we have the doctrines that have been preached by a big section of the community, "Loaf on the job, do not try to earn your wages, ruin your boss and his industry, and we shall have a prosperous country."

Hon. E. H. Gray: Do you say this is preached by a big section of the community?

Hon. J. J. HOLMES: Yes. Does Lang represent a big section?

Hon. E. H. Gray: He does not preach that.

Hon. J. J. HOLMES: He has preached worse than that. I asked at a public meeting the other night where this was taking the people. I said, "It is getting you on the rocks. You have been misled. Theodore says he will get you out of your difficulties by resorting to the printing machine. You can only produce wealth by work. At present you are living on sustenance." I know something about the finances of this country. They listened to every word I said, and they will listen to me at Wyndham. I said, "Your sustenance will give out soon, and you will have to get back to work."

Hon. Sir William Lathlain: And members of Parliament are living on sustenance.

Hon. J. J. HOLMES: On the extra £200 a year to which they are not entitled.

Hon. G. W. Miles: Borrowed from financial institutions, all of it.

Hon. J. J. HOLMES: It is said that the people are responsible for the make-up of Parliament. In my opinion they have not done the job too well, and are now beginning to see it. There is going to be a radical change in Parliament, and throughout the country before we get back to where we ought to be. It must be remembered that we have been in this financial quagmire for

many years, and we have built up a debt of £1,100,000,000. I admit that about £250,000,000 represents the war debt, but when we analyse the figures, we find that a tremendous lot of money has been borrowed quite apart from war liabilities. I believe that £1,000,000 represents ten tons of gold. Hon. members can figure out what our indebtedness means—and it has to be paid! We cannot get any more funds unless we make a distinct attempt to pay up. During the last few years the Commonwealth as a whole has borrowed £50,000,000 to pay interest and expenses. Every million pounds we borrow means the payment of £60,000 a year by way of interest at six per cent., and on top of that a sinking fund payment of £12,000 at a rate of 10s. per cent.

Hon. E. H. Gray: Your party borrowed the most.

Hon. J. J. HOLMES: I will tell the hon. member later what his party borrowed. No wonder we have come to a dead end. No wonder we are running to the other fellow to see what he will do for us, instead of ourselves doing the job. Under the provisions of the Financial Agreement we undertook to pay off our liabilities in 58 years. The aggregate liability of Western Australia then was—I am quoting round figures throughout—about £76,500,000. We had at the time a sinking fund amounting to £9,000,000, so that at that date our net indebtedness was £67,500,000. How have we kept our contract to liquidate our liabilities in 58 years? Instead of a total indebtedness of £67,500,000, we had a total of £71,500,000 as at the 31st March last, and a sinking fund of only £1,000,000. When we were dealing with the Financial Agreement, we were told that it would stop borrowing, and that was the one point about it that I agreed with.

[Resolved: That motions be continued.]

Hon. J. J. HOLMES: That was the one redeeming feature of the Financial Agreement. The Country Party members in this House were responsible for its adoption, and I believe that those four hon. members swung round at the last moment in the belief that the agreement would put a stop to the borrowing policy. It has not stopped the borrowing, and we have borrowed more than ever before. We have the Treasurer in charge of the State finances

of the State. He was going to balance the Budget this year. With ten months of the current financial year elapsed, we have built up a deficit of £1,500,000. If I understand the provisions of the Financial Agreement aright, we have to provide a special five per cent. sinking fund to liquidate deficits. On the deficit at the end of March last, we will have to set up a special sinking fund that will be a charge on our revenue of £75,000 per annum. Where is the money coming from? The salaries of members of Parliament, so it is said, must not be interfered with. There are many avenues that will be interfered with before this State is back on the financial map. Mr. Gray interjected a little while ago about some party having spent a lot of money.

Hon. E. H. Gray: I said your party.

Hon. J. J. HOLMES: I have no party. In their last term of office, the Collier Government spent £13,000,000 of loan money. Let members figure it out for themselves, and they will find that that represents an additional charge of £850,000 a year on our revenue. Look around the country and seek evidence of results from that expenditure! Can any hon. member see something for it that will bring in anything like £850,000 a year? They cannot do so. The money was spent, and Mr. Collier knew it. It was a surprise to a good many people that the Collier Government was not returned to power at the last general election; I do not think they wanted to retain power, because they had spent all the money. When we analyse our national indebtedness, we must realise the burden it imposes on the people generally. When I went to school I was taught—my later experience serves to indicate the truth of it, too—that a national indebtedness on a basis of £100 per head of the population was about all that any country could safely carry. I may be wrong, but when I consider the per capita indebtedness of the people of Australia, I am led to wonder. In 1921, the per capita indebtedness for this State alone was £124. In 1930, the figure had risen to £170, plus a Federal per capita indebtedness of £85. Thus the actual per capita indebtedness in this State amounts to £255 per individual. Taking that figure as the basis, and adopting the basic wage calculations of five persons, members will realise that every family, comprising the father and three children, carries a liability of

£1,275. It is the people who must pay. The only basis upon which we can view national finance is that of a country's population, and every cottage in this land is carrying that liability. The only solution of the difficulty is to be found in work. Then again, we must have economy. There is no other way by which we can get out of our difficulties except by work and economy. This loafing on the job, ruining the bosses and the country, and having a good time, is all passed and done with. At a meeting the other night I told the men, "Your Mr. Lang has put your pot on for you for the next ten years. You have got to work, or starve. Work has to be found for you, but you will have to take, as the basis of the pay you will get, that which industry can stand. If an industry cannot stand it, there will be no work for you." We must cut down the cost of production. We must sell our goods in the world's markets irrespective of what is done elsewhere. The only expenditure we control is the expenditure at this end. We will have to abolish the Arbitration Court. We must reduce railway freights and make special arrangements regarding coal supplies. We must deal with the land adjacent to the railways, whether it be conditional purchase or privately owned holdings. Industry must be made to pay and the railways must receive less payment for what they convey. There must be a general reduction of salaries and wages. What has been done in Queensland? I shall quote from a publication that is read throughout Australia. Referring to Queensland, and what the Government have done there, the paper says—

The cleaning up was a task to awe the strongest statesman. They have cut the losses on the blistering State enterprises. They have suspended the rural workers' award, with the result that within a few months, thousands of hands were earning wages instead of being a tax on the country. The percentage of unemployed in the Commonwealth is 24 per cent.; in Queensland it is 12 per cent. The station hands' awards have been suspended, pastoral leases extended and pastoral rents reduced. As these are straightened out, the last of the Labour Government's legacy of political refuse is being swept away.

That quotation is from an important publication—"The Pastoralists' Review." That paper knows no party and knows no politics. That indicates what has been done in Queensland. What have we done here? We have a special session of Parliament, and so

far nothing has been done. We have before another place the Workers' Compensation Bill. When leave to introduce the Bill was sought in the Legislative Assembly, the Opposition fought against it. We had the spectacle of the Minister in charge of the Bill saying, "Wait till you see it." What does the Bill mean? It means the nationalisation of workers' compensation insurance. This by the Government that helped to put the State on the rocks. The proposals embodied in that Bill are aimed to dictate to the employers of this State. They are to be told that they are not to insure their men in future, but that the Government will do it for them. The Government will fix the rate that they will have to pay if the State gets hit to leg. There is a clause in the Bill under which the Government will be able to operate retrospectively, and they will have the power to levy charges on employers dating back to cover what is required. Reading the "West Australian" this morning, I ascertained that last night the member for East Perth in the Legislative Assembly criticised the Bill, and questioned some of the clauses.

The DEPUTY PRESIDENT: Order! I must direct the attention of the hon. member to Standing Order 392. Under that Standing Order, no member may allude, in the course of his remarks, to a current debate in the Legislative Assembly on matters being dealt with there.

Hon. J. J. HOLMES: Am I not to be permitted to read the morning paper and quote from it? My information comes from the "West Australian." May I not allude to what I read in the paper and comment on it? I ask for a ruling.

The DEPUTY PRESIDENT: I have merely drawn the hon. member's attention to the Standing Order.

Hon. J. J. HOLMES: As a free citizen of this State, I claim the right to go on, and I am going on. Alluding to some of Mr. Keeneally's comments, the Minister interjected, "I agree with you that is wrong." Mr. Keeneally further commented on the clause that will prevent a man from having his own doctor and force him to go to the doctor specified under the provisions of the Bill. Again the Minister said, "We will alter that." This nationalisation of workers' compensation by a Government opposed to the nationalisation of any operations, is too much for me to swallow.

The Minister for Country Water Supplies: Do you not think it would be wiser to allow the Bill to reach this Chamber before you decide that point for yourself?

Hon. J. J. HOLMES: I hope it will never reach this Chamber, and my friends are hoping so too. I may not have any other opportunity to discuss the measure.

The Minister for Country Water Supplies: You do not wish to relieve the burden on industry at all?

Hon. J. J. HOLMES: The audacity of that interjection? Relieving the burden on industry! The Government will do the job better than Millars can do their own job!

The DEPUTY PRESIDENT: Order! I really cannot allow the hon. member to discuss the subject matter of a Bill before another place and not yet before this Chamber. That is the tenor of the hon. member's remarks.

Hon. J. J. HOLMES: All right, I have said about all I want to say on that subject. I note that the conference in Melbourne has agreed that there shall be a general reduction in salaries. I do not read anything about a reduction in wages.

Hon. E. H. Gray: They are low enough already.

Hon. J. J. HOLMES: Let us come to this conference sitting in Melbourne at the present time, one of many conferences that have been held. It seems to me that touching the affairs of this State it is our job here to put the country back where it should be. First of all we and the other States sent our Premiers to a conference in Melbourne to meet Sir Otto Niemeyer. I have already told the House what we promised to do under the Financial Agreement. We have not done it. I have told the House what our Premier proposed to do if returned to power. He has not done it. At the Niemeyer conference the Premiers agreed to do certain things. They have not done any of those things. I do not pay one scrap of attention to what is going on in Melbourne at present. I tell the people of this country they will learn that they have been bluffed once more, that the politicians are merely sparring for wind, and hanging on to office. As far as I can see, in the bidding for popularity and the retention of the Treasury benches both parties are equally responsible. Here is what Mr.

Lang was reported in yesterday's paper to have said—

The time has passed for talking. It is too late to start negotiations. The Government have to take action if they are going to save the country.

His action was to repudiate, to take the law into his own hands. To-day we read that they are all in agreement on the question of the reduction of expenditure throughout the Commonwealth. They are all in agreement, and so they will be until they get back to Canberra. Then there will be another story when Caucus takes a hand. Can we imagine a body of men making a laughing stock of themselves by telling the world they are going to reduce expenditure by £28,000,000? That statement alone is enough to condemn the whole lot of them in the eyes of the public. True some of the reduction is to be a reduction in interest payments, but they tell the world they are going to save £28,000,000 of expenditure. My trouble is that they have not yet done it, and I do not believe they will until the stable is cleaned up and the last of this political refuse is relegated to the heap where it ought to be to-day. Now it is proposed to repudiate interest. But interest means a contract. I will never be a party to repudiating a contract. One sees no mention of repudiating the awards of the Arbitration Court. We have been told that they represent contracts between masters and men, and cannot be touched. Is not interest a contract between the money lenders and the Government? I would not be a party of reducing interest, unless everybody else is going to participate in the reduction. The people working under awards of the Arbitration Court are not feeling the pinch, and under this proposal in Melbourne they will not feel the pinch. What they get is merely a reduction of the basic wage as the cost of living comes down. Their standard of living is not altered.

Hon. E. H. Gray: It ought not to be.

Hon. J. J. HOLMES: Sir James Mitchell, represents a country of primary products. Has he raised his voice on the question of the 44-hour week? The Arbitration Court increased the week from 44 to 48 hours, and here are the Government reverting to the 44-hour week. Is the salaried man to be cut down, and the wages

man under an award of the court allowed to go on as in the past? There has got to be a sacrifice for everybody. Take the woolgrowers in the North of Western Australia, and indeed throughout Australia. Last year the woolgrowers of Australia received for their wool 30,000,000 sterling less than in the preceding year. The wheat-growers for four years received £8,000,000 annually for their produce, whereas they received only £4,000,000 this year. Is the Arbitration Court to continue to exist to provide a set of industrial conditions, including wages, on the basis of a man, his wife and three children when there are no children at all? Under that system one man gets paid on the basis of five in family when he has no family at all, while the man next-door, with three or four starving children, cannot get work. Now I do not quote these following figures as being accurate, but I say that a member of the House of Representatives declared the other day that the total production of Australia in 1929 was worth about £550,000,000, that in 1930 it was worth about £500,000,000, and that for 1931 it is estimated that it will not exceed £450,000,000. Assuming those figures to be correct, can we drop £100,000,000 in production in two years and maintain the customary standard of living? How is it to be done? It certainly cannot be done on borrowed money. Thank God for that. It will have to be done by work. There is a proposal to borrow £12,000,000 to relieve unemployment and the wheat-growers. The interest on that £12,000,000 is going to be another charge on Australia of £800,000 per annum. We have in this country men in authority running around saying they are going to borrow more money. What for? We have borrowed too much already. We have borrowed money to build railways, and I think there are 320 miles of railway authorised to-day. The money has been borrowed for them, but the lines have never been built. What has become of the money? I am not permitted to say that somebody stole it; the rules of the House do not allow that. But there are 320 miles of railway authorised and money borrowed for their construction, yet the railways have not been built. When those railways were authorised I told members of the Country Party they would not be built. Authorisation was secured for those rail-

ways only in order to get money for railways previously authorised. I opposed every one of those lines, for I knew it was all a piece of political trickery. I have told the House what it costs to run the State Parliament. Let me quote from the "Year Book" some figures relating to the cost of the Federal Parliament. The salaries of Federal members total £124,500 per annum, and incidentals amount to £432,500, so salaries and incidentals aggregate £557,000. Somebody the other day made a wise remark when he said that the terrible earthquake at Napier, New Zealand, was intended for Canberra but went off at the wrong place. It is true that 10 per cent. is to come off the wages and salaries paid to Federal officers, and indeed a lot more will have to come off before we get back to where we ought to be. Federal public servants to-day number 29,000 persons. Carry your mind back, Sir, to the day when the talk was all of one people, one flag, one destiny. We were going to have in the Federal Parliament a sort of municipal council to check expenditure. Carry your mind back, Sir, to those days, and then realise that to-day there are 29,000 Federal public servants, and Heaven only knows how many thousands of others not under the Public Service Act. Can any country in the world stand it? Mr. Scullin at the Premiers' Conference to-day agrees to reduce wages and salaries. No, I beg his pardon, he did not say anything about reducing the salaries of Federal members; all he is going to reduce is the other fellow. He is going to reduce soldiers' pensions. There has been no mention at the Melbourne conference of Federal members and their cost. Mr. Scullin and Mr. Theodore to-day are going to reduce salaries, to swing into line with the State Premiers. But Mr. Lang says they are too late. Anyhow, Mr. Scullin has already said he will not do anything of the sort. In view of this, where are we to get to? I have no faith in the present Melbourne conference, no faith in any of the conferences that have been held. History proves my view to be the right one. It would pay us much better to have our Ministers here, trying to rectify the wrongs I have referred to this afternoon, instead of chasing about over the Commonwealth to find out what the other fellow is going to do. The affairs of this State are our job. Even if what the Melbourne conference

passes is approved, Ministers will have to go back home and carry it out. And how have we had decisions of past conferences carried out in this State? Nothing has been done, and nothing is likely to be done. If this sort of thing goes on, what reliance can we expect the public to place upon the Parliaments of the country? A member stands up one day, as one did in the Federal Parliament, and as a result of his motion the salary of members was increased from £600 to £1,000 a year. Now, when a financial crisis arises, we find members of the same Parliament standing up and declaring that they did not know anything about finance or that the finances were as bad as they are. They knew the difference between £600 and £1,000 because it affected their own pockets, and they should have realised that the finances were drifting. I am sorry to have kept the House so long. I could have said a lot more on the subject, but another opportunity will occur. I say we must get down the cost of production in this country, and the only way to do it is by abolishing arbitration. A court that fixes the basis of wages upon what it costs a man to live instead of upon what industry can afford to pay would put any country on the rocks. We have to make the railways pay, the public utility in which the great bulk of our horrowed money is invested. It was a criminal shame to send men out 40 or 50 miles from a railway to grow wheat, even when prices were high, because the cost of producing and marketing that wheat was murderous. We have a Closer Settlement Act under which it was proposed to take land from owners who did not utilise it. Not an acre has been taken. That Act was passed during the time of the Mitchell Government, but neither the Collier Government nor the Mitchell Government have taken action. There is land adjacent to existing railways being held for speculative purposes, the conditions under which it is held unfulfilled, and it should have been forfeited. Yet nothing has been done.

Hon. G. Fraser: You are getting revolutionary now.

Hon. J. J. HOLMES: I did not vote for the Bill, but a majority of this House gave the Government power to take a man's freehold property if it was not being put to full use. I did not think that sort of thing would happen here. My father and mother

were driven out of Ireland 70 years ago because they felt they could not call anything they possessed their own. They were advised to come to Australia where they would be able to make a home for themselves and their children. Then along came the Government declaring that the earth was the Lord's and the fullness thereof, and to them we gave the power to resume a man's land for closer settlement. It is nothing but playing to the gallery; promising things they had no intention of carrying out. It is all party politics, one side promising the earth, the other side promising the universe, and this sort of thing has landed us in our present difficulties. If members would give to the country the best that is in them, they could make up their minds that the best would come back to them.

On motion by Hon. E. H. Harris, debate adjourned.

BILL—SPECIAL LEASE (ESPERANCE PINE PLANTATION) ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL—COLLIE RECREATION AND PARK LANDS.

Second Reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [6.5] in moving the second reading said: The reserves referred to in this Bill have been, for some considerable time, under the control of the Collie Road Board for recreation and park lands purposes. The reserves, which are outlined in red on a litho. laid on the Table of the House, comprise what is known as the Minningup Pool, and are admirably situated for development as a recreation ground and as a pleasure resort for the citizens of Collie and the locality. The Collie Road Board, however, have not sufficient power under which to develop the reserves as desired, and for some time the board and other interested citizens have been endeavouring to get portions of the reserves placed under the control of a special board with extended powers providing for erection of boat sheds, kiosks, bathing sheds, etc., and necessary leases. This is the general purpose of the

Bill. The measure provides that the board shall consist of five members comprising the mayor and a councillor of Collie and the chairman and a member of the road board, together with one member nominated by the Governor, who shall be chairman. The board are to have all the powers of a board under the Parks and Reserves Act, 1895, to make by-laws, subject to the Governor's approval, in respect to the areas coloured blue on the litho., for which a title and fee simple will be issued to the board on the enactment of this measure. Under the Bill the board will be empowered to construct buildings or improvements for any purpose not inconsistent with the trust, and will have authority to lease lands and buildings at such rents and under such conditions as they may think fit, provided that no lease be granted for a term exceeding three years without the consent of the Governor. The Bill also authorises the board to borrow money, with the consent of the Governor and subject to the approval of four members of the board, for the purposes of the Act. Such money may be raised either by mortgage of the land or by sale of debentures, but any such proposal must first be submitted in writing to the Minister for Lands for his approval, and under Clause 10 the board are directed to submit annually a report and audited statement of their operations. I move—

That the Bill be now read a second time.

On motion by Hon. G. Fraser, debate adjourned.

ADJOURNMENT—SPECIAL.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [6.9]: I move—

That the House at its rising adjourn till Tuesday, 2nd June.

Question put and passed.

House adjourned at 6.10 p.m.