

Hon. M. F. TROY: May I respectfully suggest that the Minister must table all the documents that he used.

The Minister for Works: Nonsense!

Mr. SPEAKER: If the Minister quoted from the sources indicated, he must table the documents. That is my decision.

Hon. M. F. TROY: Surely the Minister is not ashamed to do that.

Mr. SPEAKER: Order! This discussion must cease.

*House adjourned at 9.1 p.m.*

## MOTION—MINES REGULATION ACT.

### *To disallow Regulations.*

Order of the Day read for the resumption from the previous day of the debate on the following motion by Hon. J. Nicholson: That the additions and amendments to Regulations under the Mines Regulation Act, 1906, published in the "Government Gazette" on 27th May, 1932, and numbered 1529/17 and 1010/30, and laid on the Table of the House on 16th August, 1932, be and are hereby disallowed.

On motion by Hon. H. J. Yelland, debate adjourned.

## ADDRESS-IN-REPLY.

### *Twelfth Day.*

Debate resumed from the previous day.

HON. E. H. HARRIS (North-East) [4.36]: Before addressing a few words to the motion I desire cordially to endorse the expressions of other hon. members in congratulating you, Sir, on continuing to preside over the debates in this Chamber. Also I welcome the new members. If Messrs. Bolton, Moore, Clydesdale and Piesse, none of whom is present just now, attend to their duties and prove to be as eager to put a spotlight on to any legislation brought forward as were their predecessors, the late Mr. Lovelkin, Sir William Lathlain, and Messrs. Kempton and Glasheen, we shall be able to say of them that they have not neglected their duties. One of our new members burst into song in the first speech he made, declaring that we could dispense with Parliament and this Chamber and delegate the duties and responsibilities to seven business men.

Hon. H. J. Yelland: Would he be one of them?

Hon. E. H. HARRIS: From his remarks I presume he would be. He seriously put forward that proposition, but I suggest that when he was on the hustings he did not make that an important plank of his platform, he did not ask the electors to send him to Parliament in order to have Parliament abolished and its duties delegated to somebody else; in other words, he did not suggest that his services as a member of Parliament were not required. In the

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

### ELECTORAL, NORTH-EAST PROVINCE.

*Seat declared vacant.*

THE CHIEF SECRETARY (Hon. C. F. Baxter—East) [4.33]: I move—

That this House resolves that owing to the death of the Hon. Frederick William Allsop, late member for the North-East Province, the seat be declared vacant.

Question put and passed.

### LEAVE OF ABSENCE.

On motion by Hon. Sir Charles Nathan, leave of absence granted to Hon. J. M. Macfarlane (Metropolitan-Suburban) for six consecutive sittings of the House on the ground of urgent private business.

Speech special reference is made to gold mining. Gold holds a unique importance in the world as the basis of the financial structure of the greater nations. We are anchored to the gold basis to-day, and certainly no better basis has been formulated. There are some who declare that macaroni would be just as good as gold to form a standard of currency, and I recently heard somebody, at a public meeting presided over by Mr. Franklin, declare that a monetary system should be fashioned to meet the needs of the people—whatever they might be—for they could all be met by a paper currency without backing. The Speech further refers to elections. I am going to ask the Leader of the House, the one request I have to make of him, that he satisfy my curiosity as to what is meant by giving consideration to measures dealing with elections. I should like to know whether that means an amendment of the Electoral Act to provide for alterations in the boundaries of the Council or of the Assembly, or to provide for a redistribution of seats all round. Those matters are all of the utmost importance to members, and it is rather vague to say in the Speech that something may be done under the heading of elections. I thought after hearing Mr. Gray last night that it might be intended to clarify the question of who are eligible to enrol as electors for the Council. For there is much ambiguity existing as to who really are eligible, notwithstanding that we have a Constitution which is believed to indicate the qualifications for enrolment. The revelations made by Mr. Gray clearly suggest a conflict of opinion between the Legislature and the officers of the Electoral Department as to who is qualified to be enrolled. The burden of Mr. Gray's trouble was that the Electoral Department refused to enrol certain applicants. My trouble at my election was that the department persisted in enrolling persons not qualified, and through the masterly inactivity of the department I was unable to get the names of those persons taken off the roll.

Hon. J. Nicholson: Then you support the complaint.

Hon. E. H. HARRIS: Yes, but in the opposite direction.

Hon. H. J. Yelland: We may yet have a select committee to consider these questions.

Hon. E. H. HARRIS: Yes, it is possible. According to what I have heard regarding the Metropolitan-Suburban Province, there are thousands of people who would elude the Electoral Department even if the department had 100 constables at their disposal to go round and check them all off. The first trouble I had in my province was that the department definitely refused to accept an enrolment claim for a person as a householder unless he had also a claim for inclusion in the Assembly roll. Personally I did not think they could insist upon that, but in order to help them and save the electors from being prosecuted by the department, for being on the Council roll but not on the Assembly roll, I took the precaution to go over it all again and put in cards for the Assembly. But whilst I did that, my opponents did not comply with the request, and as a result there is a number of people on the Council roll as householders who are not on the Assembly roll, although enrolment for that House is obligatory. Apparently it does not matter whether a man is of the specified age, whether he is naturalised, whether he has applied as a freeholder for land which is not freehold or has not been alienated from the Crown, or whether those who claim enrolment as householders have illegally occupied Crown lands. It was my intention to offer severe criticism supported by facts in a protest against certain things which happened during the recent North-East Province election. Owing to the seat in the province being declared vacant by the unfortunate death of my late colleague (Mr. Allsop) I decided that if I made the strictures I intended my action might be construed into an effort to influence certain electors at the forthcoming by-election. I, therefore, reluctantly refrain for the time being from saying anything further under that heading. I hope to have an opportunity when legislation comes forward, as suggested in the Speech, to ventilate my grievances. I now wish to deal with the mining industry. The Speech refers to it as one of the brightest features of the State's development. After a gradual decline covering many years, mining companies, some of which were getting into deep water, determined to grant tributes. Many people forecast that as being practically the beginning of the end of the industry unless new fields and mines were

located in the big auriferous area. Tributing, however, became such an important factor that the Government of the day determined to provide that the tributers themselves should assert their rights to certain percentages of the gold won on the mine on which they were tributing. By Section 152 of that legislation it was provided that the owner of the treatment plant, whether the mine was under tribute or not, should also account for and pay to the tributers not less than 50 per cent. of any premium received by such owner on the sale of the gold obtained from the ore treated. The apparent intention of the legislation was quite nullified by a recent ruling given in the Supreme Court following certain legal action. The mining companies now discontinue paying the full 50 per cent. as provided, and also deduct royalties from the tributers' half share of the gold won. That, I believe, was not the spirit of the legislation that was passed, but we are bound by the decision that was given in the court. By the aid of tributers gold mining has revived considerably. They have played an important part not only in assisting themselves, but by helping very materially to revitalise a declining and depressed industry. I believe the dispute to which I have referred is now the subject of negotiations between the tributers and the company, and as compromise is the spirit of the age, I hope a satisfactory solution may be reached at an early date. The crushing charges made by mining companies vary in almost every mine, in accordance with the grade of ore treated. During the debate Mr. Drew referred to crushing charges at State batteries in his province. He said that the man who crushed rich ore should pay a higher rate than the man who was crushing low-grade ore. Ministers for Mines and members representing the district, in conjunction with tributers and prospectors, found great difficulty in framing something that would do justice to all. Mr. Drew's idea was that some relief should be afforded to the man who was not so fortunate as to have rich ore to work. It frequently happens that in the case of a low-grade mine a man who is crushing ore regularly, can earn regularly and has an idea what his prospects are, whereas the man who may be working a small find, or a small mine which is very patchy, may toil for 12 months before getting half a ton of ore to send to the battery. The reward of the latter at the end of the period cannot be half as good as that of the man who has a low-grade mine

from which he is crushing permanently. I should be interested to know of any new proposition, but I do not think any more equitable scheme could be put up than the one that is in operation to-day.

Hon. J. Cornell: That proposition would be all right if both men were treating an equal tonnage.

Hon. E. H. HARRIS: Exactly. The recorded production in tons of ore for the year 1929 was 628,400 tons, that being the lowest since 1898, a matter of 32 years. From that time onwards, 1929, we began slowly to recover. We showed a small increase of 17,000 tons. In 1931, however, the figures jumped rapidly to 982,163 tons, an increase of roughly 337,000 tons, equal to 65 per cent. Since the industry has got into its stride and there has been this revival, the increase in the crushing amounted to 65 per cent. With the increased tonnage there is also an increase in the gold yield. Based on the average for the past eight months of this year we can assume that it will be increased by three-quarters of a million. It is also of importance to stress the grade of ore that is being treated. In 1930 the grade was as high as 55s. 8d. per ton. In 1931, with an increase of 65 per cent. in the tonnage, there is a reduction of 11s. per ton to 44s. 8d. This reduction is brought about by the increased tonnage milled. I pointed out before that the cost of treatment was so high that tributers in particular, and sometimes mining companies, found it unprofitable to crush ore that went even 10 or 11 dwts. to the ton, and I said it was a crying shame that such ore should be buried. With the use of more up-to-date plant we are hopeful that the grade will steadily come back. We remember the appointment of Mr. Kingsley Thomas as Royal Commissioner to look into the mining industry. He said the slogan of mining should be "Back to 7½ dwts." If we could get back to that, the mining industry would to a greater extent than ever materially assist Western Australia out of its trouble. Naturally at the end of 1932 all branches of the industry will exceed the figures for 1931. Gold producers have a distinct advantage over farmers. So soon as a man produces gold there is a buyer waiting to take it at a fixed price. Great Britain went off the gold standard in September, 1931. Since then the exchange rate has materially swollen the profits of the

mines. Although these profits are greater, the dividends show very little increase. It stands to the credit of mining companies generally that the extra profit they have been making through the exchange rate has been used to still further develop their mines, to recondition their plant, and in some cases to provide entirely new plants. Up-to-date plants are now established on the Wiluna mine, the Lake View and Star, and the Perseverance, and these companies are demonstrating what can be done. It is only a matter of a few months when we will have some definite figures to go by. These mines should, by that time, have demonstrated to the outside world that if the necessary capital is raised for the installation of new plants, some of the old abandoned mines may be the means of further augmenting the gold values we are now producing.

Hon. J. Cornell: Provided the prices hold up.

Hon. E. H. HARRIS: I would not venture an opinion upon that, except to say, as a layman, that it seems to me if the exchange rate does not hold up the price of gold probably will. Whatever happens will be a wonderful help not only to the industry but to the whole State. The increased production and development that have occurred constitute an eloquent tribute to the importance of the increased price of gold, and show what will happen under favourable conditions. Had there not been an increase in the price of gold, the industry would be in a very poor way. Companies were unable, in many instances, to keep down costs, until they secured a higher price for their gold which provided increased profits, established confidence, and in some instances furnished the money necessary for the erection of new plants. This has not only stimulated development within the State, but greatly assisted prospecting, and this in turn has resulted in new discoveries being made throughout the vast auriferous belt that we possess. There has followed a greater amount of employment not only for the men who were there, but it has helped indirectly to find employment for many others. The brightest spot on the Eastern Goldfield, and one which promises to regain its former prestige as a gold producer, is the area known as the Golden Mile. This covers 88 acres in the richest part of the Golden Mile, and from

this small area practically £100,000,000 worth of gold has been produced. The companies concerned are now rapidly advancing in an effort to produce yet another £100,000,000 worth of gold.

Hon. G. W. Miles: And they will do it, too.

Hon. E. H. HARRIS: The outlook is very promising and those concerned in the industry are confident that if the price of gold will hold, it will be possible to achieve that result. I support the motion.

**HON. H. SEDDON** (North-East) [5.0]: In speaking to the Address-in-reply I desire to associate myself with others who have expressed appreciation of the Message received from His Majesty the King on the centenary of this House, and I also desire to extend with others congratulations to you, Sir, on being re-elected to the Presidency, a position you have filled for a period of six years with distinction and with advantage to the House. Unfortunately this occasion is marked even more than others by the serious loss from death of some of our most valued members. One or two stood out as pillars of strength in this Chamber, particularly in dealing with problems, and the vacancies caused will be difficult to fill. Other members have fallen by the way and I express my regret that they should have lost their seats. At the same time, I trust that the newly-elected members will fill the positions with as much distinction as did their predecessors. As much ground has been covered during the course of the debate, I do not wish to do more than briefly refer to one or two questions that have been raised, because I think, in referring to those subjects, we should at any rate offer an alternative proposal to what has been expressed. The first question is that of banking and currency, particularly with regard to the relationship of those questions to the gold standard. One hon. member made use of the expression that the economic position was being strangled by the gold standard. Personally I hold the opinion that what is taking place as the result of the adherence to the gold standard has demonstrated the value of that standard. What earthly use will it be to limit evils by adopting standards, thus defining the result of following evil courses. I say that the gold standard during the present crisis has demonstrated its value as it was never demonstrated before.

Hon. J. Cornell: Out of evil cometh good.

Hon. H. SEDDON: Out of evil cometh good, if only from the standpoint that we are learning from bitter experience lessons taught in textbooks in regard to which we thought we were superior, but in regard to which now we find we have to bow. Right down the ages Governments have at all times found themselves in difficulties at various periods. There were Governments which were tyrannous, Governments which were democratic and Governments whose administration was similar to our own, but whose power was greater; but when they attempted to come up against the natural laws associated with gold values they found themselves beaten by that which, down the ages, had stood as a standard of value. Consequently I say, that if under those conditions gold maintained its place, what hope have we of attempting to alter the natural laws? Another factor that has had a great deal to do with our present trouble is the fall in prices. In all discussions that have taken place in this House and in another place with regard to our economic troubles, sufficient importance has not been attached to the corrective effect associated with the freedom of trade, and one is justified in saying that the severity of the depression to-day is due to artificial interference with prices. Had only freedom of trade been allowed to take its natural course, we should not have had the tremendous swing that has taken place in prices. Under the old conditions, individuals tried to control prices and were broken; under modern conditions Governments have tried to control prices. I say without the slightest hesitation that if Governments think they are going to control prices in the way that individuals have endeavoured to do, the result will be that Governments will be broken by the operation of natural laws. Freedom of trade, in my opinion, is the only safe way in which prices can freely operate under demand and adjustments be made immediately. There is another matter which I think will help us out of our difficulties more than all our discussions, and that is to inculcate in our people principles of self-help and self-reliance. In our legislative efforts in the past 20 years these two important virtues have been pushed into the background. I think the whole of our activities have been in the direction of demoralisation. When we are training people to look to Governments to help them we are taking from them one of the greatest incentives

to success; the incentive of self-reliance. Demoralisation has gone far enough and Governments who wish to bring the country back to a stability must reverse that policy. Reference has been made to unemployment. All I have to say is that it appears to me in dealing with that question an ounce of intelligence is worth a ton of commiseration. We have had plenty of serious examples placed before this House, examples which unfortunately every hon. member is well aware of. The suggestions which have been offered appear to me to ignore the fundamental condition on which we can help people, and that is the question of raising revenue in a way that will not be injurious to the community generally. Here again the problem facing us has not been given any material help from the discussions that have taken place. My opinion is that the only way in which we can assist to remedy unemployment is to help the man to help himself. The question has been raised: Are we on the road to recovery? I have heard expressions in this House and have read what has been said in another place, and in both it has been denied that we are making any progress towards recovery. I wish to repeat what I said previously, that there are distinct signs of recovery, though perhaps those signs are dimly discernible.

Hon. E. H. Harris: You want to put your spectacles on to see some of them.

Hon. H. SEDDON: Very well, but I say definitely that as far as Perth is concerned, the position of the retail trade generally is better than it was 12 months ago. I believe that the favourable trend as far as bank clearances are concerned is still continuing, and we are now three millions better off as compared with the same period of last year. That indicates a greater degree of circulation, and it must necessarily have provided a considerable amount of increased employment. At the same time we cannot disguise the fact that the road to recovery will be a long one and it will be marked by comparatively slow progress. We have to make up our minds that it will be a long time before we can hope to attain to the position we occupied three or four years ago. We are, however, very much better off in this way, that we are dependent largely on our own resources, instead of having to be assisted, as before, by over-

seas borrowing. I understand that we have made a tremendous advance as far as that position is concerned. I will go further and say that the countries that will recover more speedily from the effects of the depression will be the primary producing States, and Western Australia will be one of the first in the Commonwealth to recover, if only because of the fact that we are at present receiving very material assistance from the measures the Commonwealth Government have had to take to keep the primary industries going. We are aware that there has been a great amount of unemployment in the Eastern States due to the manner in which secondary industries have been affected by the depression. To that extent, therefore, our load is considerably lighter. As far as our Government are concerned, we have to admit that in spite of the most determined and sustained efforts on the part of the Administration, we have not yet balanced our ledger. Compare the figures of this year with those of the previous year, and we find that the Government have not been able yet to get control of the position.

Hon. J. Cornell: This State has had one surplus in the last 20 years.

Hon. H. SEDDON: I admit that, and there is a considerable amount of doubt expressed in regard to that one surplus. If any hon. member will trouble to examine the accounts, he will find that that surplus was a visionary one. I contend that the position can be materially relieved for the State Government if the question of the adjustment of the relationship between State and Commonwealth is speedily tackled by the Premiers' Conference. The spheres of activity are undefined, and there is a tremendous amount of overlapping. The sphere of finance is being overlapped, with the consequent extra cost to our people. The State is asked to carry out work which comes well within its functions but which should be financed from Commonwealth funds. There is also the vicious position existing to-day of grants being made to the State by the Commonwealth. One taxing authority should not be raising money for another taxing authority to spend. If the spheres were more clearly limited, and the functions of each Government were restricted, the whole of the people would benefit and this State would be able to carry

on its work far more efficiently than it is doing at the present time. Speaking with regard to the spheres of activity, I congratulate the State Government on the important step it has taken in the direction of handing over certain public works to the local governing authorities. That is a step in the right direction. After all, the Metropolitan Water Supply, Sewerage and Drainage, gas and power are entirely local questions and should be handled by the local governing authorities.

Hon. J. Cornell: So should the trams.

Hon. H. SEDDON: Yes.

Hon. E. H. Gray: And the power house should not be sold privately.

Hon. H. SEDDON: I am quite with the Government in their proposal to hand over the water supply, sewerage and drainage to the local authorities, but I cannot understand why they have seen fit to go outside the State with a proposal to dispose of the power house. The people most directly concerned with the activities of the power house are those in the metropolitan area, and the first line taken by the Government should have been to approach the local authorities to take over the power house, the activities of which are restricted to the metropolitan area.

Hon. E. H. Gray: It is a bait to the Employers' Federation.

Hon. H. SEDDON: I do not propose to cast any reflections on the Government, or to suggest that it is a bait to anyone. It appears to me that the logical line would be to follow the step taken regarding the water supply and make overtures to the local authorities to take over the power supply. I contend that in many respects, owing to the overlapping of finance and the work that has devolved upon the State, we can only describe the position of the State Government in handling such questions as unemployment and welfare as one of trying to make bricks without straw. There is scope for economy awaiting the conference of Premiers if they will only limit and define the spheres in which the Federal and State taxing authorities shall operate. It has been stated in this House that there are too many members of Parliament. I do not hold that view. For anyone who has any idea of the magnitude of this State to contend that there are too many members shows that he does not appreciate the tremendous problems awaiting solution and needing attention throughout the length and breadth of the country. References have

been made to the North. The North constitutes a State entirely with its own problems and with its own resources. The administration of such a tremendous area from this centre cannot be as effectively carried out as it would be by a local governing authority who knew the problems firsthand and were prepared to grapple with them. Regarding the conferences of Premiers, the question of finance appears to be particularly to the advantage of the State Premiers. The conference consists of a meeting of Premiers of the States and representatives of the Federal Government, and surely the number representing the States should have a tremendous advantage in being able to force the position and get the whole question of overlapping and finance cleared up. There never was a time when it was more urgent, or when it would be more beneficial to the taxpayers than the present. The burden of taxation is overwhelming, first because of overlapping, secondly because of its distribution, and thirdly because so many people think they are escaping taxation because they do not pay directly, though as a matter of fact they are paying dearly indirectly. The Government's proposal for a special tax of so much in the pound collected at the source is a step in the right direction.

Hon. G. Fraser: Irrespective of the yearly total.

Hon. H. SEDDON: By proposing a tax of so much in the pound, the Government are adopting the simplest and fairest method of graduation, and they will be getting taxation from many men who in the past have escaped taxation. A considerable number of casual workers have not borne their fair share of the responsibilities of citizenship in the way of paying taxation.

Hon. G. Fraser: You would tax a man who received £50 a year.

Hon. H. SEDDON: If I read the proposal aright, it is intended that the new tax shall not apply to anyone receiving less than £100 a year.

Hon. G. W. Miles: Everyone should pay something.

Hon. H. SEDDON: I say, as I have said in the past, that everybody who is earning income should pay some taxation. Only by adopting that principle can we get people to recognise their responsibility. They should pay for the benefits they receive. The number of free services provided by the State—free in the sense that no direct charge is made for them: the charge is made on general taxation—

Hon. J. Cornell: Free services have largely landed us in our present position.

Hon. H. SEDDON: The free services provided by the State benefit all sections of the community, and the earning citizen should be prepared to bear his fair share of the expenditure. I have only to mention police, hospitals, asylums, education, health and medical services, to indicate the extent of our free services to the whole community, and the whole of the earning community in the State should be prepared to pay some little sum towards their maintenance. Consequently, I consider that the Government are entirely on the right track in proposing the new tax.

Hon. G. W. Miles: The only thing is they are two years too late.

Hon. H. SEDDON: Activities of the Government such as transport, water supply, roads and harbours should be made to pay for themselves. Any step taken to that end will have my hearty support. I wish to refer to some of the advantages that have accrued from the depression. The disadvantages are with us all the time, but there are material advantages, some of which are only just beginning to be felt, while others have made themselves obviously apparent.

Hon. J. Cornell: Crossword puzzles have arrived during the depression.

Hon. H. SEDDON: When I realise the extent to which that form of gambling has grown, I ask is it not rather a symptom of the depression? So many people can see absolutely no possible way of escaping from the intolerable conditions in which they find themselves that they are prepared to take advantage of any desperate expedient that they think will give them a chance.

Member: That is a good explanation.

Hon. H. SEDDON: Unfortunately, gambling has been a feature of the Australian character for many years, and its evil effects have been intensified by the severity with which the depression has hit many of our people. The first advantage of the depression to make itself felt was that owing to our inability to import so many goods from overseas, opportunities have been created for commercial enterprise to enter upon fields of production that were formerly more or less closed to them. Bread-and-butter lines are showing signs of recovery, but there is demand for various commodities and they present an opportunity for investment, and for enterprise to enter upon profitable production. Although so

far progress has been comparatively slow, I think it will increase, and those opportunities will be taken advantage of as the volume of cheap money increases, and as the people realise the shortages that are occurring. Here we as legislators have an opportunity. Whenever reference is made to opportunities of the kind, the reply is, "Yes, but look at the restrictions and the impositions placed upon manufacturers in Australia." A little time ago I had a conversation with the representative of a big firm from the Old Country, and he made this statement—

There is any amount of capital in England available for private enterprise in Australia. There is also a strong sentiment behind that capital, and it is prepared to venture into your industry, but first of all we need to be assured that that capital will get a fair spin. We do not want to find ourselves in the position of having invested capital in your industries, only to have our work indefinitely held up by industrial troubles.

That statement was made entirely without prejudice and it was a definite statement of the attitude of investors overseas. If there is anything we can do to remove that impression, if there is anything we can do to establish a basis of stability for employer, employee and consumer, it will be an important step towards not only recovering our position but towards progressing once more. It should be possible for employer, employee and consumer to come together and find some basis of stability, instead of having, as has so frequently happened in the past, continual stoppages and disturbances.

Hon. G. W. Miles: We should have wages boards instead of arbitration.

Hon. H. SEDDON: I cannot agree with the hon. member that arbitration is an evil. Those of us who have had experience of arbitration realise that with all its faults it has some very important advantages for the weaker sections of wage earners.

Hon. G. W. Miles: And has led to an increase in the number of strikes.

Hon. H. SEDDON: Unfortunately, the strike was the very thing that arbitration was set up to obviate.

Hon. G. W. Miles: Yes, and still strikes have increased.

Hon. H. SEDDON: I consider that the failure of arbitration has been the failure

of Governments to enforce the penal conditions.

Hon. G. W. Miles: Absolutely failed, just as in New Zealand.

Hon. H. SEDDON: Much of the economic trouble now prevailing is due to the failure of Governments to take the obvious course of action, because it was an unpopular course. They have been content to drift along until calamity has overtaken the country. Arbitration, however, constitutes an important principle and one that I hope will be preserved and made more workable than it has proved in the past under our scheme of economy. All employers are not slave drivers and all employees are not slackers.

Members: Hear! hear!

Hon. H. SEDDON: All financiers are not grabbers and sharpers. The majority of them are decent honourable men. It is the crook in each class that causes most of the trouble. If we are prepared to drop feelings of distrust, class consciousness and hatred and try to get the decent men to come together and inspire confidence in the discussions and decisions, this country will be very much better off than it is to-day and there will be much less unemployment. That is the only basis upon which men can get together and work together. Kindness and firmness are supposed to be the best methods of administration, and with these two conjoined we cannot go far wrong. I wish briefly to refer to gold mining because it is important from the point of view of the remarkable recovery it has made as well as for its bearing on the welfare of the State. Five years ago, when the subject of gold mining was broached, the attitude adopted by most people was that of being about to attend a funeral. Yet in that brief space of time we have witnessed a wonderful resurrection. The only discouraging feature is that the revival has not been more widely extended, but I think it will be only a matter of time before money is made available for the industry and to that extent the State will materially benefit. Let me refer to a few features that are not generally appreciated. The genesis of the eastern goldfields was the prospector who discovered the gold. Prospectors travelled thousands of miles over the country. For many years they were covering the face of those goldfields of ours, and recent experience has



demonstrated to us that they did their work pretty well; for, although at present there are more men in the bush than have been there for the past 25 years, the number of new discoveries is comparatively small, and the number of discoveries of any magnitude is practically nil. When we remember that of the men who are in the bush some 630 are out on sustenance, we must realise that those men are doing their best to make discoveries, if only in order to relieve their own unfortunate position. Prospecting to-day is undoubtedly a job for the trained man. As I say, the more obvious outcrops have been discovered, and it is only by the application of science through trained men that we can hope for any material additions to our known gold deposits. In this respect I wish to make a brief reference to the work which has been done by the Geological Survey Department. Any member interested in a goldfield who goes down to the Geological Survey office will find that some work has been done by the staff in connection with that field. I may add that a material factor in the rejuvenation of the Kalgoorlie field was the work done in relation to the Stillwell report. Any hon. member who has had the opportunity of reading that report and particularly of studying the plans prepared in connection with it—a report and plans which for the first time visualise the Golden Mile as a unit instead of as a series of separate compartments—will realise the tremendous benefit which accrued to the Kalgoorlie field as the result of that investigation.

Hon. Sir Charles Nathan: Thanks to the Federal Government.

Hon. H. SEDDON: Thanks entirely to the Federal Government. In no small degree is the recovery of the Golden Mile due to the work done on that occasion. Unfortunately, the average prospector has not too high an opinion of the geologist. The average prospector says, "I go out and make a gold discovery, and then the geologist comes after me and says that this is just the kind of country in which one might expect to get gold. The probabilities are that although you have been fortunate in finding gold, the scientific indications, according to the geologist, are that the gold will cut out at a shallow depth; and so you go further." But that kind of geology is becoming more and more a thing of the past, and those who have had the

opportunity of seeing the way in which geology has been applied first of all to the Golden Mile and secondly to Wiluna, and the important steps which were taken as the result of geological surveys and intensive geological work in those two fields, will appreciate the importance of geology in connection with goldmining. May I say that the superficial work connected with geological surveys has already been accomplished, and that the sphere which to-day awaits exploitation is the intensive work associated with scientific prospecting, work which involves sustained research and co-ordination, as well as tabulation of results. The whole of this work is work which can be undertaken only by trained men; and our trouble is, first of all, to find the trained men to send out, and, secondly, to get them out. May I just give a little illustration of the application of science to a small mine. Some years ago the Great Victoria mine, which was working in South Yilgarn, found itself in serious trouble; but for two years it was able to keep going, and to find sufficient ore, because of the policy adopted by the management. There was found to be a considerable quantity of gold-bearing gravel near the mine. Although all the gravel carried gold to a certain extent, the values were most erratic. Thanks to the policy adopted by the mine management, some hundreds of assays were taken every month; and as the result of that assay-survey the mine was able to keep going, and to pay expenses, for two years, by utilising the gravel. Had the company owning the mine been in a stronger position and therefore able to undertake further exploratory work, I am satisfied that those methods would have resulted in the mine being operated to-day, and probably quite successfully. Unfortunately, however, the mine was being operated when gold was at the standard price. In that area there are literally millions of tons of ore which is too low-grade to mine under ordinary conditions of price, but which a company in operation at the present price would have been able to mine profitably. Scientific prospecting naturally demands funds. There is a source of funds which has been available for many years, but unfortunately a source which has been prostituted from the standpoint of diverting the money raised for it into unproductive channels. The source I refer to is the Adelaide mining companies. Those companies are really too small to be regarded as mining companies in the ordinary sense of

the term, but they can distinctly be regarded as prospecting companies. I contend that if the funds raised by those companies were expended under wise supervision, and if the greater proportion of those funds were expended in seriously investigating prospecting shows put up to the companies, the condition of our goldmining industry would be far better than it is to-day. But, as far as I see, the funds are simply used for the purpose of stock-market rigging, and for the purpose of paying fat directors in Adelaide, while the interests of the shareholders are entirely secondary to those two operations. Again and again we find an instance of a company going practically to abandonment, and then, as the result of a smart bit of work on the part of the controllers of the company, being brought to life again, so that a few people are induced to put money into it. Calls are made; and after it is all over we find that the mine has merely been used for market purposes, and that the practical development work done is negligible. It would be interesting indeed to take the balance sheets of some of those companies and observe the amount of money spent in mining operations and the amount of money that went in office and overhead expenses. There is room for legislation to restrain the activities of such people, and to insist that when money is raised for the purpose of developing shows in Western Australia, a definite percentage of that money shall be spent in legitimate mining work. Now I wish to refer to another interesting development that has occurred in Kalgoorlie in connection with mining. Some three or four years ago the number of students attending our School of Mines had dwindled considerably, and only one section of the school was really active—the engineering section. The present position is that the enrolment has trebled, and the difficulty now is to be able to afford the necessary instruction to all those desirous of receiving it. There are two reasons for that change. The first is, of course, the revival of goldmining and the recognition by our young men of the necessity for getting a technical education in order to qualify themselves for advancement in that industry. The second reason, and a highly important reason, is the attitude of mine managements towards School of Mines students. That is particularly marked in at least two of the mines, which make it their principle to give preference of employment to young men

studying at our School of Mines and at our University. That principle has operated very considerably of recent months, to the entire benefit of the students, and, I contend, also to the material advantage of the mine managements. It may interest hon. members to know that the man regarded as the champion machine driller on one mine is a man who, three months before he took on mine drilling work, was a bank clerk. Another man, who for some months had been working in the Customs House, was found to be also a most capable driller, after a few weeks' tuition and a few weeks of control. Hon. members will therefore appreciate that a material change is taking place in the personnel of the men working on our mines. As the result of the vigorous adoption of scientific measures, not only are costs being lowered, but the output is being vastly increased. I do not wish to pass from the subject of goldmining without paying a tribute to the work which has been done by the Research Laboratory associated with the School of Mines. That laboratory has been in operation now for three or four years. The workers there have been engaged on special research work, and a great deal of pioneering and of research work in connection with the treatment of Wiluna ore was carried out at the School of Mines laboratory. A few years ago the suggestion of applying the principle of flotation to goldmining ores was made, and was vigorously scouted as being entirely impracticable and impossible of application. As a result of the study work undertaken by the Research Laboratory and the propagauda they were thus enabled to make available, the question was seriously taken up on the mines. To-day the biggest mine on the Golden Mile employs flotation as part of its ordinary everyday practice, with the result that instead of, as five years ago, every ton of ore treated having to pass through the furnace, the quantity of ore now being roasted on this mine is only seven per cent. Another highly important feature is that whereas formerly it was necessary to use a considerable amount of fuel to roast the ore, thanks to the concentration of the sulphides in the concentrates the ore is practically self-roasting. Here again, considerable economy has been effected in utilisation of fuel. The application of the flotation process to gold mining has been the subject of research

work in the laboratory, and I was most interested to read in a scientific paper published in Melbourne a little while ago, that, as a result of those experiments, it had been determined at the laboratory that it was possible to separate telluride ore from the ordinary sulphides, whereas formerly they had to be treated together. Now it is possible, by an extension of the process of flotation, to depress the sulphide and concentrate the telluride. The importance of that discovery lies in the fact that it is possible to treat so-called sulphide ore by straight cyanidisation so that there is no necessity to roast it, or adopt any special process in dealing with it. Consequently, as telluride represents only a small proportion of the total ore body—under one per cent.—instead of the necessity to roast 7 per cent., it will be possible, by an extension of the flotation process, to separate the ores and allow the telluride to be treated by itself. That discovery was made by the man in charge of the research laboratory of the School of Mines at Kalgoorlie, and too much credit cannot be given to him and to his staff for the beneficial work they have carried out in the interests of the gold mining industry. The question of gold mining to-day has become one of large scale operations. It demands much capital and highly trained technical supervision and control, for which purposes it is necessary to secure the services of the most skilful direction available. Under such conditions, the future of the gold mining industry in Western Australia is entirely associated with our ability to induce capital to enter the State. The more we can make conditions favourable and attractive for overseas capital to be invested in gold mining enterprises here, the better it will be for the State, and the quicker shall we be able to deal with the problem of unemployment. The gold mining industry furnishes the quickest way by which men can be placed in employment. By promoting the industry, the more quickly will the State, as a whole, benefit by the production of new wealth. There are certain difficulties associated with mining, and the most important is that relating to miners' phthisis. The Government are pressing in the right direction in the operations of the health laboratory at Kalgoorlie. The authorities there are exercising most rigorous examinations and only people entirely healthy are allowed to enter the industry or secure work on the mines. More important still, however, is the work that is being carried out in connection

with ventilation. For their work in that regard, every member should give the fullest support to the Government, because that phase of mining represents a vital factor in preserving the health of the men in the mines. If the ventilation provisions are enforced and the system is improved, mining should rapidly become just as healthy an occupation as that followed by workers in other parts of the State. If that is accomplished, it will be all to the good. I am pleased to note from the Speech delivered by the Lieut.-Governor, that legislation is to be introduced dealing with the vexed question of workers' compensation and its application to men suffering from miners' phthisis. Such legislation is long overdue, and I am pleased to note that the present Minister for Mines has not hesitated to tackle what is a very delicate and strenuous task. The whole position must be revised. Much improvement must be effected in the way we are handling the position, and I welcome the Government's proposals and shall give fullest consideration to legislation placed before us. I do not wish to close my remarks before making reference to what I regard as the third great battle for human liberty. I refer to the economic war that is in progress now. One of the most severe effects is to be seen in the depression of to-day. I must confess I have found very little appreciation of the underlying principles that make for recovery, in the speeches I have heard from the Labour benches in dealing with this important question. There has been much talk about the matter, but I find that any remedies proposed can be boiled down to suggestions for the benefit of some at the expense of the rest of the community. Whatever progress is made towards economic recovery will not be on the basis of robbery. We are told that the Government should do this, that and the other thing. Labour members have contended that the conditions under which the unemployed have been placed in work should be materially improved. I quite agree with that contention. On the other hand, I want to know what sound proposals they have advanced to finance the position and overcome difficulties associated with the financing of unemployment relief under existing conditions. A whole volume might be compiled of suggestions and theories by which the social conditions of the workers may be improved, but there are very few instances of any of those proposals having proved prae-

tical successes. One important field of advancement in particular regarding the social improvement of the conditions of the workers has proved a disastrous failure. The Australian working man has definitely demonstrated that he is incapable of successfully achieving social improvements in a field that in England represents an important activity of the labour section of the community. I refer to the field of co-operation. When we realise the magnitude of the Wholesale Co-operative Society in England and contrast that organisation with the miserable results shown in Australia in the field of co-operative effort, members will agree with me when I say that the Australian worker has proved himself utterly incapable of handling that most important field of social labour improvement. Having demonstrated that fact, no wonder the general public look with suspicion upon any proposals Labour may make for the benefit of humanity. It is also remarkable when one follows the Press controversies and published speeches on the question of unemployment, to find practically no reference from the Labour side of politics, to the most important economic conference that has taken place during the last 100 years. I refer to the Amsterdam conference that was held in August, 1931, to discuss world economic planning. The subjects discussed were such as would lead any earnest Labour supporter to make every effort to secure the latest information regarding the proceedings of that conference. Notwithstanding that fact, hardly any reference has been made to the work of the conference, which can be regarded as establishing the foundation for the creation of an economic structure on sound lines. Therefore I say that the Labour Party has shown itself absolutely negligent of its duties as the so-called guardian of the working classes. With reference to the economic position generally, some time ago a member of the State Arbitration Court here made stringent references to fixing a minimum wage on what he called a "fodder basis." Those who have studied present-day conditions cannot fail to agree with what that gentleman stated. Unless we approach the question of a standard of living from a higher plane than that which he indicated, we shall merely prepare the way for failure. On the other hand, we should endeavour to work with the idea of establishing a constantly improving standard of

living for our people. There has been much talk since the commencement of the depression about the release of credit, but when one examines the proposal, it is found to resolve itself into a question involving, more or less, inflation, or, at any rate, into proposals equally unsound. We have had no suggestion for national wealth conservation or national saving. I consider that if we are to place the economic system on a sound basis, it can be only by pursuing our activities along those lines. Instead of talking about the release of national credit, we should give greater consideration to national wealth conservation and the provision of national reserves. We would gain more by that line of action than in steadily increasing our national responsibilities by further borrowing. I shall deal briefly with old-age pensions and unemployment relief, because I contend they are intimately associated one with the other. I reiterate a statement I made formerly that I consider provision for both pensions and relief is a matter for Federal action. The unemployment position has been brought about to a large extent by the Federal policy with reference to the tariff, but the provision of pensions is entirely a responsibility of the Federal Government. There again a large number of people are being forced to apply for old-age pensions because they have become destitute owing to the effects of the depression. Our legislation for the past 30 years has been in the direction of penalising the thrifty and benefiting the wasteful. That is illustrated in the way we have dealt with old-age pensions and unemployment relief. A large number of thrifty working people, in endeavouring to find employment for their savings, decided to invest in cottage property with a view to providing for their old age. Many of them looked forward to the time when, in their old age, they would secure the benefit of their investment. What do we find to-day? Governments have passed legislation that has had the effect of throwing the burden of providing for people who are destitute and out of employment, on to the shoulders of those very people who have been thrifty and have endeavoured to make provision for the future. There are numerous instances of people having invested their savings in property who are prevented to-day from drawing any income from their investment because the per-

sions occupying their premises are also victims of unemployment and are therefore unable to pay their rents. People who own property are deprived of assistance when they seek to secure a pension. They are told that as they own property, they have forfeited the right to a pension. They are also deprived of the right to sustenance work or to relief from the Government from unemployment funds. Owing to these restrictions, we find that thrifty people are penalised and the improvident benefited.

Hon. G. Fraser: They cannot get work nor can they get assistance for their families.

Hon. H. SEDDON: The whole thing is entirely wrong, and we must approach the problem from another angle. There should be established a national wealth reserve, and I make the suggestion that we should explore the possibilities of establishing a national superannuation scheme instead of continuing with the system of old-age pensions. If hon. members visit the office of any insurance company, they will be able to secure a table indicating sums for which an individual can procure an annuity. I have a copy of such a table, and I find that for £100, a man aged 65 can secure an income of £2 13s. 1d. per quarter, whereas a woman, aged 60 years, can, for the same expenditure, secure a quarterly income of £2 0s. 5d. To convert that into a sum easily appreciated: For £1,150 an annuity amounting to £1 each for a man and his wife can be provided. For the average worker to find £1,150 would be perhaps impossible. But as a matter of fact if that man is asked to contribute annually a certain comparatively small sum from his earliest working days, there is no reason why he should not be able to provide that sum in order to get an annuity for himself and his wife. To give an illustration: If we required every worker between the ages of 20 and 65 to contribute £10 per annum, or 3s. 11d. per week, that sum would provide an annuity of £1 per head for the man and his wife. I have taken as my unit a married man.

Hon. G. Fraser: He would have a pretty chance of contributing 3s. 11d. per week on present wages.

Hon. H. SEDDON: We are spending a tremendous amount annually in certain social services. Among them, old age and

invalid pensions for the year ended June, 1932, cost the Commonwealth over £11,000,000, while unemployment relief also has cost over £11,000,000, charity and health £5,000,000 and family endowment £2,000,000. Under this proposed scheme the whole question of superannuation can be provided for, the question of sustenance for the widow of a man who dies can be provided for, and also sustenance for children up to the age of 14 of a man who has died can be provided for.

Hon. E. H. Gray: It is quite a wonderful proposition.

Hon. H. SEDDON: Members can check the calculation if they like. It is all there, for the money is compounded at 4 per cent. per annum, and when the pensions are being paid the compounding is still going on.

Hon. G. Fraser: But how can a man on the basic wage pay 3s. 11d. per week?

Hon. G. W. Miles: Let him drink less beer.

Hon. G. Fraser: He cannot afford beer as it is.

Hon. H. SEDDON: The scheme involves every person, whether employed or not, finding his £10. If he is in employment it is not unusual for him to be paying out the equivalent of £10 per annum to social activities. So any man who jibs at the idea of finding 4s. per week out of his wages is simply standing in his own light. Thrifty people have set aside much more than that in order to provide for their future.

Hon. G. Fraser: But you are asking a man to do something that for him is quite impossible.

Hon. H. SEDDON: No, this scheme provides an annual sum from the collection of contributions. It will provide unemployment relief on a very much bigger scale than is attempted at present. A man will be able to go on working on unemployment relief and getting sustenance, and continue to work until he has cut out his £10 in work. And by the time the scheme is fully established it will be possible for a man to work the whole 12 months and be credited with the benefit of his work and, if he so desires, to arrange for his retiring allowance long before he is 65 years of age. It would definitely relieve this country from an enormous burden of taxation and would provide a scheme of national wealth avail-

able for national purposes. And this scheme can be accomplished by a small weekly contribution which can be taken into consideration when the arbitration wage is being fixed. I do not contend that this is the only way in which to create a national wealth reserve, but I am putting it forward as one means well worthy of exploration.

Hon. G. Fraser: These schemes are all right for a man in a sheltered position.

Hon. H. SEDDON: The scheme would make provision for a casual worker to go on relief work as soon as he got out of a job.

Hon. E. H. Gray: He cannot go on relief work now as soon as he gets out of a job.

Hon. H. SEDDON: No, but he could under the scheme. After the scheme has been in operation for 12 months, a man 64 years of age becomes entitled to a pension at 65 years. Under existing conditions he must be impoverished before receiving relief, but under the scheme he would get his small pension even if not impoverished. The scheme will give him a pension for himself and his wife at the rate of 8s. each per annum. It is not much, but it will be increasing at the rate of 8s. each per annum for the first five years, whilst for the next five years the rate of increase will be 9s. each, and at the end of 15 years it will be increasing at the rate of 15s. per annum. Meanwhile, the Government are being steadily relieved of expenditure on pensions, because every man on a pension has been making his contribution, while every man not entitled to a pension will have a gradually increasing amount to draw. Further, after two years' contribution any woman unfortunate enough to lose her husband will be entitled to some pension if she is over 40 years of age, a pension increasing at the rate of 8s. per annum. And after three years any woman who loses her husband will be able to draw a pension at the same rate and have it increasing at the same rate. Members will appreciate that while it is not a very big pension, it is a step in the right direction and assures a man of a return from the money he has paid in.

Hon. J. Nicholson: And with all the accumulation of interest.

Hon. H. SEDDON: This is so. I have not taken into calculation funds from deaths at younger ages, but I remind members that gradually the Government would

be relieved of their responsibility to pay pensions, and gradually the community would arrive at a basis where every man would be able to look forward to a provision which he had made himself and to which therefore he was fully entitled. Furthermore, the Governments would have a fund available for the carrying out of public works, a steadily increasing fund, without resorting to the expedient of borrowing and so plunging the country farther and farther into debt. It appears to me this is the line we shall have to take if we are going to put pensions on a stable basis. We shall have to find, out of our own thrift, a national wealth reserve, and we can only do it by a scheme under which every person in the community will be contributing to the relief of his old age. It is the only way I can see to get us out of the economic morass we have got into. The idea is worth pursuing by the State authorities because it will relieve the charges on them considerably, and will also materially help Governments to balance their budgets and to create in the community a spirit of thrift which in turn will create a spirit of cheerfulness which is not in evidence at present. In conclusion, I hope we shall have something in the nature of encouragement of thrift, instead of the penalising of thrift which has been characteristic of Government policies throughout the length and breadth of the Commonwealth. I will support the motion.

On motion by Chief Secretary, debate adjourned.

#### BILL—MAIN ROADS ACT AMENDMENT.

Received from the Assembly and read a first time.

*House adjourned at 6.13 p.m.*