

allocation of dates, and those important things over which the parent society should exercise some decision—but that the affiliated societies should have sole control and right in regard to their domestic affairs, such as the appointment of their committees, the provision for presidents and vice-presidents, and all matters in which there is no necessity for any reference—or approval, for that matter—to the parent body, and certainly no desire nor any need that all domestic matters throughout the State should, in spite of local circumstances being different, be operated under a uniform system of by-laws. I think hon. members will see the grave danger that could obtain in an Albany domestic by-law being considered not desirable because inconsistent with a domestic by-law obtaining in Geraldton or Kalamunda.

Mr. Sampson: Or it might conflict with a Northam by-law.

The MINISTER FOR LANDS: Yes. It might conflict with some local requirement. So that the desire in this amending Bill is to amend Section 6 that the defined activities of affiliated societies on important and vital matters should come within the jurisdiction of the parent body, but that, in connection with domestic matters, by-laws should be something for the affiliated societies' own concern. It is a simple Bill amending one section of the parent Act. The amendment is requested by the Royal Agricultural Society, and I think hon. members will consider it an entirely reasonable proposal. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

ANNUAL ESTIMATES, 1940-41.

In Committee of Supply.

Resumed from the 15th October; Mr. J. Hegney in the Chair.

Votes — Farmers' Debts Adjustment, £1,575; Agricultural Bank, Industries Assistance Board, Soldiers' Land Settlement, £5—agreed to.

Progress reported.

House adjourned at 10.36 p.m.

Legislative Council,

Tuesday, 22nd October, 1940.

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

ASSENT TO BILLS.

Message from the Lieut.-Governor received and read notifying assent to the following Bills.

- 1, Agricultural Products Act Amendment.
- 2, Kalgoorlie Health Authority Loan.

BILL—FEEDING STUFFS ACT AMENDMENT.

In Committee.

Resumed from the 17th October. Hon. J. Nicholson in the Chair; the Honorary Minister in charge of the Bill.

Postponed Clause 2—Amendment of Section 3:

The HONORARY MINISTER: With regard to the point raised by Mr. Mann concerning the reason for the change in the definition of the word "inspector," the Act reads—

"Inspector" means an inspector attached to the Department of Agriculture and includes any officer of that department acting as an inspector under this Act.

The Bill sets out that "inspector" shall mean "an inspector appointed under the Act." The reason for this change is to bring the definition into line with that embodied in other measures such as the Plant Diseases Act, the Dairy Products Act, the Fertilisers Act and, in fact, most of the Acts administered by the Agricultural Department. There is no intention to incur unnecessary expense in the appointment of inspectors; there are hundreds of honorary inspectors appointed throughout the State, such as policemen,

upon whom the department relies for the performance of these duties. The alteration in the definition, as set out in the Bill, will enable the Minister to appoint such inspectors as may be necessary to police the Act from within as well as from outside the department, in the same way as is possible under provisions in other Acts, the administration of which is the responsibility of the department.

Hon. W. J. MANN: The definition seems fairly complete. I was afraid the curtailment of the definition meant that more inspectors would be employed to harass agriculturists still further. I see the point made by the Honorary Minister, and I have no objection to lodge.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—ROYAL AGRICULTURAL SOCIETY ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL—McNESS HOUSING TRUST ACT AMENDMENT.

Second Reading.

Debate resumed from the 16th October.

Hon. A. THOMSON (South-East) [4.43]: I intend to support the Bill, which makes provision for a progressive step. The average person taking up the occupancy of a Mc Ness cottage does so when nearing the end of life's journey, and there is not much likelihood of his being able to complete the purchase at the rate of 5s. a week, and so become the owner. The gentleman who was generous enough to provide money for the building of these homes desired that people who were not in a position to pay the average house rent should by this means be able to have a roof over their heads. We are deeply grateful for the generosity of the late Sir Charles Mc Ness in this and many other directions. The measure is a wise and helpful one. It proposes to insert a new section in the Act enabling the trust to let homes at a weekly tenancy of 5s. That money

will be paid to the trust and used to meet rates and taxes and all other imposts and to keep the houses in order. I support the Bill.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

MOTION—RURAL RELIEF.

To Inquire by Joint Committee.

Debate resumed from the 17th October on the following motion by Hon. A. Thomson (South-East):—

That a message be transmitted to the Legislative Assembly requesting concurrence in a proposal that a joint committee consisting of three members of each House be appointed to inquire into and report upon such measures as may be necessary and/or desirable to relieve people engaged in the rural industry of their present financial handicaps and problems.

HON. L. B. BOLTON (Metropolitan) [4.47]: I do not intend to address the House at any length but, having some farming interests and some knowledge of the existing position, I do not wish to record a silent vote. Mr. Thomson is to be commended for his attempt to assist not only his own constituents but also the farming interests of the State as a whole. He has the sympathy of the House even though his motion may not be carried. Definitely he has my support, although I am afraid it may be necessary for me in the interests of the State as a whole to vote against the proposal. In his reply Mr. Thomson may be able to convert me to his point of view. As has been said by the Chief Secretary, not only in Western Australia, but throughout the Commonwealth, inquiries have been made by commissions which have dealt with the farming community and primary industries generally. They have worked for weeks and months and spent a tremendous sum of money. I doubt whether any member of the House could tell me of one commission or select committee that has done anything worth while. I am not reflecting on those bodies, but am reflecting, perhaps, more on the position in which the unfortunate industry seems always to find itself. Ever since

I have been a member of this House there has hardly been a session when the unfortunate farmer has not wanted something. I have great sympathy for him, and if I thought any good would come out of the proposed inquiry I would support the motion. The position is so desperate that the farming community does not need commissions or committees to inquire into its circumstances, but wants immediate help. Much has been said of the attitude adopted by the Associated Banks and financial institutions which control the affairs of so many farmers. I am sorry this motion is so closely associated with another item on the notice paper. Had Mr. Thomson brought forward the motion before attempting to get his Bill through, he would have received more support for the former than he seems to have had up to date.

Hon. J. Cornell: He could withdraw the Bill.

Hon. L. B. BOLTON: I do not think that is what the hon. member has in mind. The idea apparently is to hold the Bill over after it has passed the second reading, and await the results of the investigations by the committee.

Hon. A. Thomson: I am willing to do what Mr. Cornell suggested.

Hon. L. B. BOLTON: If that were done there would be more chance of having the committee appointed. Rightly or wrongly, there is no doubt the statement made by one member, that some institutions had in hand piles of files awaiting decision as to whether help should be continued to those who are so much in need of it, is perfectly true. I know of institutions which are holding up the operations of many farmers, men who have had practically to give away their flocks because they were unable to purchase sufficient feed to keep them alive. If help had come to many of those people four or six weeks ago and the flocks had been carried on, the position would have been very much better for them. The wonderful rains that have fallen in some parts of the State will make a great difference to the general outlook. Even in the Midlands many crops two months ago were not worthy of the attention of a binder or harvester, but to-day, as a result of the rains, they will reach the average for the district, which is saying a good deal. In many other districts, too, sufficient feed will be available to enable farmers to carry their stock for a longer

period, and thus be given an opportunity to sell them to better advantage. As it is, numbers of men have had practically to sacrifice their stock, and in some instances have lost their farms as well. After many years of labour farmers, who are worthy of a better fate, have had to walk off their properties and leave their homes.

Hon. A. Thomson: You do not suggest that the Bill has brought about that situation.

Hon. L. B. BOLTON: There is a suggestion contained in the Bill. We know that pending legislation has been the means of holding up help to hundreds of men.

Hon. G. B. Wood: That is a great reflection on the financial institutions. Do you say that the Bill in question is preventing them from giving the necessary assistance?

Hon. H. V. Piesse: We have not had that experience in our district.

Hon. L. B. BOLTON: Mr. Craig said that assistance was being withheld from hundreds of farmers until a decision had been arrived at concerning the rural relief Bill. That is correct.

Hon. G. W. Miles: The financial institutions were justified in their actions seeing that legislation was hanging over their heads.

Hon. L. B. BOLTON: In some instances that may have been true. Even the Government, if it knew that properties could be written down in the way suggested in the Bill, would not be expected to give the same amount of help. Private financial institutions have probably picked the eyes out of the farming areas and have secured the best clients. If they were in danger of losing their equity in a property they would probably advance sufficient funds to keep the place going. As was the case last session, I regret that I cannot give my support to any measure embodying the principle of repudiation. If Mr. Thomson had brought down this motion quite apart from the Bill, I would have been inclined to support it, and, if he can answer the cases that have been put up against his proposal, I may even be inclined to support it.

Hon. J. Cornell: The hon. member said he would be prepared to drop the Bill.

Hon. L. B. BOLTON: Many excellent speeches on both sides have been made. Mr. Roche, for instance, put forward a very excellent and sincere case from his angle. I will reserve my vote until I hear Mr. Thomson's reply.

HON. C. B. WILLIAMS (South) [4.59]. I have been a member of this House for 12 years. If there is anything of which I have a horror, it is a select committee. That amounts to passing the buck. Unfortunately I have been a member of a select committee myself, but I hope never to be a member of another. Surely members of this Chamber have sufficient ability to be able to deal with all these subjects themselves. If I can help it, I will never again serve on a select committee, and if my vote will prevent any Bill from going before a select committee, I will give it. I will not vote to pass the buck away from 30 members who have been elected to this Chamber to do their job, irrespective of any outside influence. Everyone knows how the farmers are situated and the plight they are in. This seems to me to be purely an electioneering dodge, dragging the question before the House week in and week out. If members are desirous of doing something for the farmers let the motion be defeated or carried without so much delay. Do not we all know that the primary producers are in a bad way: we would be really stupid if we did not. Why continue to drag the subject before the House and try to make political capital out of it?

The **PRESIDENT**: Order! The hon. member must not reflect on members of the House.

HON. C. B. WILLIAMS: Members know that I am not reflecting on them, but it does appear to me to be stupid to go on as we have been doing, that is, delaying something about which we should have come to a decision long ago so that the farmers might know just where they are. I am opposed to the appointment of a select committee to deal with this question, and indeed to the appointment of any select committee on any subject whatsoever.

HON. H. V. PIESSE (South-East) [5.3]: I would not have spoken on the motion but for the remarks of the hon. member who has just resumed his seat. The hon. member cast aspersions on representatives of the electors, but I remind him that we are following the advice tendered by one of his own party who is a respected member of this Chamber. I refer to Mr. Drew whose utterances we always listen to and treat with the greatest respect. I also paid close attention to what Mr. Bolton had to say, and I think

that he was confounding the issue. We have heard a good deal about a pile of applications for assistance that are supposed to be held up by the banks until Parliament has arrived at a decision on this question. That is not my experience, and during the last week end at Katanning what I heard was totally different. In that district every application that has been made for the purpose of keeping sheep alive has been granted. In fact, it is surprising to me that so much feed is being found for breeding-stock and particularly foundation stock of the farmers. There cannot be anything in the suggestion that financial institutions are holding back requests for assistance, as the maintenance of stock on the property is all to their advantage. If they did not do that the institutions would be ruining their own securities.

Hon. L. Craig: No one suggested that the banks were holding up the applications.

Hon. H. V. PIESSE: It is my intention to support the motion for the appointment of the joint committee. The proposed action cannot do any harm, and I am sure it will do a great deal of good. If it does nothing else it will bring about a more friendly attitude between those who owe money and the people who lend it. That may prove of considerable importance. We know what is taking place in Victoria and the other States, and we ask that similar action may be taken here.

HON. A. THOMSON (South-East—in reply) [5.6]: I am amazed at the inferiority complex exhibited somewhat suddenly by members of this House. When I submitted the measure dealing with the relief of farmers I thought that I would be providing ways and means that would enable us to conduct an inquiry that would show exactly the position in which the primary industry stands at the present time, a position resulting from a disastrous drought and years of accumulated troubles, all of which were causing the primary producing section of the State a great deal of anxiety. As a member of the Country Party I offer no apology for bringing forward this matter, because every one must recognise that its importance justifies its being debated in Parliament. When I submitted the motion I thought we might be able to convince the House that the question was one of extreme

urgency, that something should be attempted and something done. I prefaced my remarks by stating that no man holding the portfolio of Minister for Agriculture had ever had such a grave responsibility placed on his shoulders as had the present occupant of the post. That does not say that Mr. Wise is the only man with brains, or should I say, with a complete knowledge of agriculture. It is a grave reflection on every one of us in Parliament when a member declares that we are not competent to deal with the question. "Let us put the matter into the hands of experts" is what some members have suggested. Those members have been long enough in Parliament to know that 95 per cent. of the officers of a department adhere to the policy of the Minister in control, a policy that is enunciated by the gentleman in charge for the time being. I am grievously disappointed with many of the arguments that have been advanced against the motion. The unanimity among those members who urged the wiping out of the motion has been remarkable. Some have also declared that we are enemies of the farmers. All I can say is, save us from our friends, and God help the farmers of Western Australia if they have to depend on the votes of some members of this Chamber.

I have listened attentively to the speeches that have been made in this House by Sir Hal Colebatch, but I must admit that I have failed to discern one constructive idea in any of the matter he submitted to the House. When dealing with this question Sir Hal Colebatch expressed the greatest sympathy for the farmers and pointed out what happened in other countries. Then he concluded by saying that the time was not opportune to do what my motion suggested. The hon. gentleman dealt extensively with the question now before us and referred to the secondary and tertiary industries and spoke of the burden that was placed on the primary producers by all sections. He wound up by saying that the matter was one to be dealt with by the Commonwealth and the State. He suggested that the Commonwealth and the State, as well as the financial institutions and the business houses, should co-operate in an endeavour to solve the problem. The hon. member stated that the motion would not do any good. He told

us that he had had the privilege of visiting Germany and France as well as other places, and that he returned from those visits convinced that all was not well in any of those countries, and that in Great Britain wherever he had the opportunity he drew attention to the serious dangers the Empire was facing. Unfortunately no notice was taken and now the Empire is engaged in a great struggle. The party with which I am associated claims to have a complete knowledge of the difficult position that is facing not only the primary-producing section of the community but the business community as well, and is aware that the position is likely to have serious repercussions in the metropolitan area. The desire, therefore, is to see whether it is possible to take steps that will give some ray of hope to the people in the country, those people who have given 10, 20 and even 30 years of their lives to the development of their holdings and who are now, with their families, unable any longer to remain on the land. The honest desire is to try to put something before this House that will enable members dispassionately to discuss what is really a serious problem. What do we find? Exactly the same apathy and the same lack of knowledge that has always been displayed when the question has been brought forward, just as Sir Hal Colebatch stated was shown by the people of England towards the dangers facing them. So I repeat that I deeply regret the innuendoes that have been cast by members in this House that we are out to do something that is dishonest or dishonourable. I take strong exception to that. We have been told that the pile of applications for relief that are held by the banks are becoming larger, and that the financial institutions refuse to discuss or deal with those applications until such time as this motion, or the suggested legislation to amend the existing Act, is disposed of or defeated. If that is not a direct intimidation to Parliament. I have yet to learn what is intimidation.

Hon. L. CRAIG: That was not the statement made.

Hon. A. THOMSON: Yes, it was the statement made by Mr. Craig and other members in this House.

Hon. L. CRAIG: On a point of order; I made no such statement. What I said was that a bank official told me he had a pile of

applications for assistance and that he was unwilling to deal with them until he knew the fate of the Bill that was before the House, which is a different thing altogether. I object to the hon. member insinuating that my intention was as stated by him.

Hon. A. THOMSON: The question was asked in another place.

The PRESIDENT: I am quite sure the hon. member will accept the statement made by Mr. Craig that he had no intention of repeating a statement for the purpose of intimidating Parliament.

Hon. A. THOMSON: I am sorry if I implied that the hon. member was endeavouring to intimidate Parliament. If I conveyed such an impression I regret it. But hon. members have suggested in this Chamber that this and another item should be struck off the notice paper. They have said that the sooner Thomson's Bill—as it is commonly called, although it is not my Bill at all—is struck off the notice paper, the better it will be for the farmer. As I say, it is not my Bill, although I claim the privilege of having introduced it on behalf of the party and the people I represent. The Bill is the expression of a long-considered opinion held by members representing the primary producers.

The PRESIDENT: Order! A conversation is going on which prevents me from hearing the speaker.

Hon. A. THOMSON: According to a Press report, Mr. Parker said—

The sooner the Bill and the motion are wiped off the notice paper, the sooner the banks will gain confidence not in the farmers, but in the politicians. It is the politicians who frighten banks.

That statement proves that what I have said is correct. If my memory serves me correctly, I think Mr. Craig and one or two other members made the same remark.

Hon. L. Craig: Mr. President, may I repeat what I said just now? If I may quote from my speech—if that is permissible—

Hon. J. Cornell: I rise to a point of order. The hon. member may rise to a point of order, but he may not rise to make an explanation of something he has already said.

Hon. L. Craig: I rise to a point of order. What I said was that a bank manager told me his bank would not deal with applications until a Bill had been wiped off the notice paper.

The PRESIDENT: The point of order which the hon. member wishes to make is really an explanation to the effect that Mr. Thomson has interpreted his remark in a way that the hon. member never intended. Is that the explanation the hon. member wishes to make?

Hon. L. Craig: I object to Mr. Thomson misquoting me. I did not make the statement attributed to me by him.

The PRESIDENT: I am quite sure Mr. Thomson will accept the explanation. Does Mr. Thomson accept Mr. Craig's explanation?

Hon. A. THOMSON: That he did not intend—

Hon. L. Craig: Did not say those words.

Hon. A. THOMSON: What words?

The PRESIDENT: That the quotation from Mr. Craig's speech is incorrect.

Hon. A. THOMSON: Mr. Craig may not have used those exact words.

The PRESIDENT: I am sure the hon. member accepts the explanation.

Hon. A. THOMSON: Yes, according to the rules of debate.

The PRESIDENT: The hon. member may proceed.

Hon. A. THOMSON: A statement has been made in this Chamber—and any hon. member can wear the cap if it fits him—to the effect that until such time as the measure dealing with rural relief has been—let us say—considered, the banks will not make further advances to farmers. The statement was made—it is duly recorded in "Hansard"—that until these items were struck off the notice paper the financial institutions would not consider making further advances to farmers. If my memory serves me correctly, Sir Hal Colebatch said that both items should be wiped off.

Hon. J. J. Holmes: What would you do?

Hon. A. THOMSON: I say with all due respect to interjectors and objectors that that statement was nothing but a deliberate attempt to intimidate members of Parliament in the discharge of their duties as they honestly see them. I stand to that. I take no exception to the opinions expressed by members. Members are entitled to give expression to their views in this House equally with me; but I am amazed at some of the views that have been expressed and at the attitude that has been adopted by some members. At one place I was called a most ob-

jectionable name by a man who is associated with some firm in this State. I said, "Generally, when that remark is made it is said with a smile, and I hope you are saying it with a smile. I am not used to being called that." I say candidly I am amazed at the imputations and suggestions that have been made with regard to this motion and the influence that has been brought to bear with respect to it. In my remarks dealing with the Bill I did not say one word against the financial institutions. I personally have always received the greatest consideration from these institutions, but I have always been in the happy position of being able to pay them. What is asked by this motion before the House? Let us put the Bill on one side; I will deal with it later, if necessary. The motion asks that a message be transmitted to the Legislative Assembly requesting concurrence in the proposal that a joint select committee, consisting of three members of each House, be appointed to inquire into and report upon such measures as may be necessary and/or desirable to relieve those engaged in the rural industry of their present financial handicaps and problems. With all due respect to some hon. members, I am afraid they do not realise how serious is the state of this primary industry. We have had many expressions of sympathy for the farmer and we have been asked to trust the other fellow. Let me quote something from the "West Australian" newspaper dealing with drought relief—

The general secretary of the Primary Producers' Association (Mr. H. J. Prater) stated yesterday that he had received advice from the Minister for Lands and Agriculture (Mr. Wise) to the effect that the Commonwealth Government had agreed that the representatives of the industry should be permitted...

Permitted, mind you, not invited—

... to attend and state their case at the conference on wheat to be held between the Commonwealth and State Governments at Melbourne, commencing on 25th October.

Mr. Prater then proceeds to say that those actively engaged in the production of wheat and those connected with growers' organisations would be expected to meet the expenses of the delegates. No Government assistance! The farmers are right up against it; finance has been withheld from them; a conference is being held in Melbourne to discuss their disabilities with a view to devising ways and means of coming to their assistance, yet the Commonwealth Govern-

ment and the State Government say to the farmers, "We will permit you to attend the conference dealing with matters affecting your industry, provided you pay your own expenses." Wonderful help! A wonderful and friendly gesture! Yet some members of Parliament may be found who would be prepared to give extra time listening to evidence of farmers suffering from disabilities in order that at least some palliative might be given to the sufferers. It might help a little. I take this opportunity of sincerely congratulating the leader writer of the "West Australian" newspaper who, thank God, has a little genuine human sympathy for the farmer. He deals with the proposal submitted by the Commonwealth Government, under which Western Australia will receive £250,000. I shall not quote the whole of the article, but he says—

The proposal means that the Commonwealth will be taking a very small share of the burden. Assuming an interest rate of three per cent. the Commonwealth on each £1,000,000 advanced for drought relief will pay about £67,500 interest while the States will pay about £37,000 interest, but the States will also pay back the principal in full with very little chance of collecting in full from the drought-afflicted farmers. That is rather a one-sided way of financing the preservation of a national asset.

What greater condemnation of that offer of relief by the Federal Government can be found than the condemnation expressed so well by Sir Hal Colebatch, when he spoke of the imposition of high tariffs designed to give assistance to secondary industries, while placing the primary producer in the parlous state in which he is to-day? The leader writer proceeds —

It would be wholesome to instil into the minds of farmers that they are under some obligation to repay a percentage of drought relief advances. It would be wholesome to require the States to bear some portion of the burden.

The following part of the leader is the portion for which I desire particularly to thank the writer; he has placed the position before the public of Western Australia and I hope some members who object to the motion for a joint committee have read it—

Perhaps the most reasonable and expedient and practical division would be for the Commonwealth to accept responsibility for repayment of half the principal, upon condition that the States would not attempt to collect from farmers more than 25 per cent. of the drought relief funds advanced to them. Such a division would mean that of every twenty

shillings received by a farmer the farmer would be required to pay 5s., the taxpayers of the State 5s., and the taxpayers of the Commonwealth 10s. If the States and the Commonwealth met the interest charges, this arrangement would mean that farmers would only be asked to pay £5 a year for five years in order to discharge £100 of drought relief advances. Under the present scheme it looks as if they may be asked to repay the full £100. To most of them that would be as impossible as it would be an unwelcome proposition, and to ask it will merely lay the foundation for a growing burden of capitalisation which in time will have to be written off. It seems a pity to do that so soon after the recent programme of rural debt adjustment financed by Commonwealth funds and carried out by State administration.

Hon. L. Craig: What hon. member objects to that?

Hon. A. THOMSON: There is a constructive suggestion. This has come from a man who is not associated with Ministers of the Crown or with the Commonwealth; it has come from a man who, by the nature of his profession, realises the impossible position in which the Commonwealth seeks to place the drought-stricken farmers. That is one suggestion. If an outsider not connected with primary industry in the manner in which we members are can offer a suggestion of that kind, other valuable suggestions would probably be elicited by inquiry by a joint committee. What better recommendation could there be for the appointment of a joint committee? It would provide opportunity for men who have experienced all the difficulties from the pioneering stage and have devoted many years of thought to the problem to give their ideas. Many of those men thought they saw a reasonable hope of making a competence, but after 20 or 30 years of toil they have been sadly disillusioned. They succeeded in building up an asset only to find it slowly but surely disappear. Surely that is sufficient justification for the appointment of a joint committee.

When Mr. Holmes was speaking against the motion, he quoted, with a great deal of satisfaction, I thought, a statement made by the Minister for Lands when giving evidence to the Grants Commission. The hon. member pointed out that this State had written off no less a sum than £20,000,000.

Hon. J. J. Holmes: I said approximately.

Hon. A. THOMSON: Well, approximately. I asked the hon. member to quote a little further from the Minister's evidence, but he replied that I could quote what I

liked. The hon. member is an experienced Parliamentarian who knows much of the State and has played an important part in its development, and I was disappointed that he should have contented himself by quoting only the approximate amount written off in the course of our land settlement activities. I have information from the Statistical Department that the dairy, poultry and wheat industries in the last 16 years have produced new wealth to the value of £189,000,000. If we have been unfortunately compelled to write off £20,000,000 of the money borrowed by the State to assist the agricultural industry, it has given a most excellent return to the State and has provided a large amount of employment for many people. If it has been deemed advisable in the interests of the State to write off £20,000,000, and we can show on the other side of the ledger wealth produced to the tune of £189,000,000, surely there is not much room for complaint! Reference was made to the expenditure in the South-West. Was it the fault of the farmers that money was lost there? Some members have told us that many of the farmers ought to be taken off the land and that we ought to have big collective farms something like those in Russia. If that ever happens, I hope members who think that way will not then be in Parliament but will be in the country working under supervision. That is not the way the British Empire has been built up; it has been built up by individual effort. Many men and women suffered hardship in the process, but they opened up a great expanse of territory.

The financial institutions have played a very important part in the development of Western Australia. I am as much interested in the welfare and wellbeing of our financial institutions and am as much concerned for the prosperity of the State as are some of the members who stressed the danger I was courting by seeking this inquiry. All I am seeking is an inquiry in order to obtain suggestions. Apparently the attention of Mr. Craig, Mr. Miles, Mr. Parker, Mr. Holmes and Sir Hal Colebatch has been directed to the fact that the farmers' credit is being endangered by the action being taken in this House. If the position is as serious as that, would it not have been reasonable for one of those members to drop me a friendly note to the effect that the motion or the Bill would not be

in the interests of the farmers and that it would be advisable to discuss the matter beforehand? We are told that this proposal is going to affect the credit of the farmers seriously.

Hon. C. B. Williams: Are you referring to the joint committee?

Hon. A. THOMSON: Yes.

Hon. C. B. Williams: And you will have a go on the Bill later?

Hon. A. THOMSON: Yes.

Hon. C. B. Williams: I have never yet talked out one of my own measures.

The PRESIDENT: Order!

Hon. A. THOMSON: I should regret to think that I was talking out this motion. So many remarks and innuendoes have been made that, in justice to myself, I must reply to them. We have been told that the farmers will not be able to obtain credit. I wish to ask members how much credit the farmers have to-day. If a farmer wants to buy a machine, he has to pay half cash.

Hon. C. B. Williams: Mr. President, has that anything to do with the motion before the Chair?

The PRESIDENT: I think the hon. member is in order.

Hon. A. THOMSON: If a farmer requires machinery, he cannot get it on credit as he could in years gone by. He has to pay half cash, and the balance has to be guaranteed by an approved guarantor.

Hon. L. Craig: A very wise precaution in view of this measure.

Hon. A. THOMSON: The hon. member says that is a very wise precaution in view of this measure. That rule has been enforced by suppliers of machinery during the last year or two, so why put up that argument? No one knows the fact better than does Mr. Craig. The measure before the House and this motion have not affected the farmers' credit as regards the purchase of machinery.

Hon. G. W. Miles: But you tried to get a Bill through last year.

Hon. A. THOMSON: I did not bring in a Bill last year.

Hon. G. W. Miles: Well, somebody did.

The PRESIDENT: Order!

Hon. A. THOMSON: Even before the measure of last session reached us, those conditions applied, so the interjection by the hon. member has no force.

Hon. G. W. Miles: And the year before?

Hon. A. THOMSON: The year before similar conditions applied, so the hon. member is still out of court. He is obviously hard pressed in trying to put up a case against the farmers. If members searched "Hansard" from beginning to end, they would develop sore eyes before they could find any record of the hon. member's having supported a motion in the farmers' interests.

Hon. G. W. Miles: I am referring to the members who are supposed to represent the farmers.

Hon. A. THOMSON: If the farmers were represented by the hon. member, they would have a mighty hard time and would soon realise that they had nobody to urge their claims. I have not known of the hon. member's standing up for anyone.

Let me now deal with the question of super. The same thing applies; the farmers have to pay cash or, if supplied on credit, have to give a lien to the companies, and the lien is a first charge against the proceeds of the crop.

Hon. J. J. Holmes: That is because you have ruined your credit.

Hon. A. THOMSON: The hon. member is a die-hard. I am not desirous of convincing him; in fact I would not attempt it, but in justice to the men I represent, I have to put up the case for them. I am speaking not only to the House but also to the farmers.

Hon. H. S. W. Parker: Having given them a lead.

Hon. A. THOMSON: The lead the hon. member offered was to leave the matter to the Commonwealth and everything would be all right. I wish to point out the fallacy of the claim that my action is proving detrimental to the farmers and is injuring their credit. I say it is having no such effect. The farmers' credit has been injured for quite a long time by adverse seasons and the many onerous conditions imposed upon them. There are other phases of the matter with which I could deal, but in view of some of the interjections, I shall reserve a little powder and shot for my defence of the Bill.

Hon. C. B. Williams: Hear, hear!

Hon. A. THOMSON: We have been told that heads have been counted and that the motion will be negatived, irrespective of the need for an inquiry in the interests of justice. When we consider how carefully some members scrutinise the actions of the Government and how cheerfully they criticise the

measures brought down, we might have expected more sympathetic treatment for the motion to the end that we might search for remedies for the present desperate situation. I could offer quite a number of remedies. So could other members if they considered the problem. I could appear before a committee and give many helpful suggestions.

Hon. C. B. Williams: By jove, you have given many here.

Hon. A. THOMSON: I am here to represent the primary industries. I have been told that there is no hope of getting a joint committee. I am amazed at the volte face on the part of some members. On the one hand members say that if the farmers require assistance, the Government must provide it. That is a statement made by members on the other side of the Chamber.

Hon. G. W. Miles: On your side.

Hon. J. J. Holmes: The select committee cannot do it.

Hon. A. THOMSON: Then we have the Chief Secretary stating that the Government cannot supply finance.

Hon. H. S. W. Parker: What do you suggest?

Hon. A. THOMSON: That we have a joint select committee with an opportunity to discuss the matter, a committee that will be able to put up concrete suggestions by giving farmers an opportunity to come and submit evidence. The finance companies will be able to come and say, "You are barking up the wrong tree; what you propose we shall do, is what we have done." Some members state that the finance companies are doing now voluntarily what my motion asks them to do. If that is so, why should there be so much opposition to the motion? I know that one hon. member is suffering, but we have had to suffer under him.

Hon. J. J. Holmes: What would you do if you were a trustee administering trust funds?

Hon. A. THOMSON: Exactly what I suggest now, something that I have done myself. Therefore I am in the happy position of being able to state that the very thing I now advocate is something I have done in my private capacity.

Hon. J. J. Holmes: With your own money?

Hon. A. THOMSON: The hon. member is so worried about the financial institutions—

The PRESIDENT: Order! I do wish the hon. member would leave the personal element out of this debate.

Hon. J. J. Holmes: We are asking what you would do if you were in charge of trust money.

Hon. A. THOMSON: I ask such interjectors, "What do you do now when the case is so bad that the debtor cannot do anything further, being right up against it? Do you say to the debtor, 'You must go off' or 'We will give you just enough to carry on, in the hope that by and by, when things have improved, somebody will come along with enough money to buy a property.'"

Hon. C. B. Williams: I do not understand what this has to do with the appointment of a select committee.

Hon. A. THOMSON: Those members are generally in the position of having to say, "I am afraid I cannot assist you any further, and you must go off." I wish to warn them that the rural position is much worse than they realise. I wish to ask the hon. member who interjected a moment ago what he and the institutions which he claims protect the farmers' interests will do if, say, a thousand or two thousand farmers jointly make up their minds to seek refuge in the Bankruptcy Court. Would the hon. member ask those farmers to remain, or would he get other men to take charge of the farms? They would be high and dry. If we can get together in the spirit in which, some members suggest, Commonwealth legislators should get together, if we can have a joint select committee of three members from this House and three from another place, good will result. With all due respect to members who condemn the proposal and say that a joint select committee cannot possibly obtain results, I contend that during this session we could get some evidence and put up some suggestions, and that then a course frequently adopted, of appointing an honorary Royal Commission to carry on the good work in the recess, might be taken in this instance. That would be in the interests not only of the farmers but also of the business people in the country. I can show members country towns decaying, with shops empty—half of one town is practically unoccupied. We wish to see the country towns sustained and made prosperous. Cannot something be done towards that end? The carrying of the motion is not only in the interests of the country districts but also in

those of the financial institutions. I do sincerely trust that hon. members will carry the motion.

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

Ayes	13
Noes	13
<hr/>				
A tie	0
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AYES.			
Hon. C. F. Baxter		Hon. W. J. Mann	
Hon. J. Cornhill		Hon. H. L. Roche	
Hon. J. M. Drew		Hon. A. Thomson	
Hon. G. Fraser		Hon. H. Tuckey	
Hon. E. H. H. Hall		Hon. G. B. Wood	
Hon. W. R. Hall		Hon. H. V. Plesse	
Hon. V. Hamersley			(Teller.)

NOES.			
Hon. L. B. Bolton		Hon. J. Nicholson	
Hon. Sir Hal Colebatch		Hon. H. S. W. Parker	
Hon. E. H. Gray		Hon. H. Seddon	
Hon. J. J. Holmes		Hon. H. Tuckey	
Hon. W. H. Kitson		Hon. F. R. Welsh	
Hon. J. M. Macfarlane		Hon. C. B. Williams	
Hon. G. W. Miles			(Teller.)

AYK.	PAIR.	No.
Hon. T. Moore		Hon. E. M. Heenan

The PRESIDENT: Where it rests with the President to give his casting vote, he has two alternatives. He may vote in accordance with what he personally considers best in the interests of the country, or he may vote in accordance with what is more generally accepted Parliamentary practice, and that is in favour of further consideration. I propose to vote in favour of further consideration. If this motion be carried, as it will be when I give my casting vote, it will go to the other House, and it will then be for Parliament to say whether or not Parliament as a whole favours the proposal. I vote with the ayes. Therefore the motion is carried.

BILL—RURAL RELIEF FUND ACT AMENDMENT.

Second Reading.

Order of the Day read for the resumption from the 2nd October of the debate on the second reading.

HON. L. B. BOLTON (Metropolitan) [5.57]: I move—

That the debate be adjourned.

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

Ayes	15
Noes	11
<hr/>				
Majority for	4
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AYES.			
Hon. C. F. Baxter		Hon. W. J. Mann	
Hon. L. B. Bolton		Hon. H. V. Plesse	
Hon. J. Cornhill		Hon. H. L. Roche	
Hon. J. M. Drew		Hon. A. Thomson	
Hon. G. Fraser		Hon. C. B. Williams	
Hon. E. H. H. Hall		Hon. G. B. Wood	
Hon. W. R. Hall		Hon. H. Tuckey	
Hon. V. Hamersley			(Teller.)
NOES.			
Hon. Sir Hal Colebatch		Hon. J. Nicholson	
Hon. L. Craig		Hon. H. S. W. Parker	
Hon. J. J. Holmes		Hon. H. Seddon	
Hon. W. H. Kitson		Hon. F. R. Welsh	
Hon. J. M. Macfarlane		Hon. E. H. Gray	
Hon. G. W. Miles			(Teller.)

Motion thus passed; debate adjourned.

BILL—TRAFFIC ACT AMENDMENT.

Second Reading—Defeated.

Debate resumed from the 16th October.

HON. H. TUCKEY (South-West) [6.2]: The Minister made out a strong case when moving the second reading of the Bill and quoted several references in the Federal Grants Commission's report in support of his views. Subsequently, however, when Mr. Baxter and Sir Hal Colebatch opposed the measure, they quoted other paragraphs that seemed to upset the contentions advanced by the Minister.

The Chief Secretary: To which paragraphs do you refer?

HON. H. TUCKEY: Those read by Mr. Baxter and Sir Hal Colebatch. I have not the references at the moment, but no doubt the Minister will deal with them when replying to the debate. Strong objection has been raised against the technical error in the resolution passed at the recent road board conference directing members of Parliament to oppose the Bill. The word "request" was omitted from the resolution by a mere oversight. Anyone acquainted with the delegates to the road board conferences will appreciate the fact that they would not be so foolish as to attempt to direct members of Parliament to act, in the way suggested by the supporters of the Bill. The Chief Secretary spoke about the low rating levied in the metropolitan area, but to me the rates struck appear to be on the usual scale with, perhaps, some increases. Local authorities should be given credit for the fact that they can satisfactorily conduct their affairs without piling up loan indebtedness or levying high rates. If, as the Government says, an amount of money will be available to municipal councils and road

boards under this legislation, equivalent to that which they are to be deprived under another heading, I cannot see how this can be described as emergency legislation. Financially it will make no difference either to the Government or to the local authorities. However, I cannot agree with the suggestion that we should follow the lead of other States with regard to rating. We are often told that we should follow the example of other parts of the Commonwealth, and members are aware that we have suffered penalties because we have not followed the course that other States have pursued. In my opinion, we should look after our own affairs, and if we can keep down taxation and avoid the imposition of heavy rates, we should do so.

The contention has been raised that if the Bill becomes law its provisions will in no way affect country road boards. That, however, can hardly be so. Although a large amount of money has been expended on the construction of main and developmental roads practically all over the State, the fact remains that there are still hundreds of miles of main roads not yet dealt with. The Commissioner of Main Roads, who is carrying out excellent work, frequently has to refuse requests for road construction in country centres, owing to a shortage of funds. Knowing this to be the position, how can members suggest that the diverting of thousands of pounds from the Federal aid roads grant in order to recoup money taken from traffic fees and paid into Consolidated Revenue, will not create a further shortage of funds for country road construction? If the Government takes £100,000 from traffic fee collections and pays that amount into the Treasury, and then makes good the deficiency from Federal Aid Roads Agreement funds, I am firmly of the opinion that the amount required for road construction will be short to the extent indicated. Our primary industries are in need of every help and encouragement that we can possibly provide, and one of the most effective ways of accomplishing that end is to construct good country roads wherever they are necessary. I can assure members that there are hundreds of miles of roadways awaiting attention by the Main Roads Board, and until those roads are put in order, nothing should be done to divert for other purposes money that is essential for road construc-

tion work. The main road to Bridgetown has not yet been constructed, and the length from that centre to Manjimup, which has to carry very heavy traffic, has not received attention, although at times it is badly corrugated and costs a considerable sum to maintain in trafficable repair. When we are told that there is no money available for road construction purposes, we should see to it that we do nothing, directly or indirectly, to interfere with money collected in the form of traffic fees and used for road construction purposes.

Members must also remember that motorists are to-day paying taxation amounting practically to 1s. a gallon on petrol. This represents nearly half the cost of that liquid fuel. As a matter of fact, taxation accounts for 11d., and primage $\frac{3}{4}$ d., which is roughly 1s. a gallon. If the local authorities have been collecting traffic fees that are not wholly required for road work, then the time has surely arrived when consideration should be given to a reduction of license fees. Those fees are heavy to-day and it would not be out of place to suggest a reduction. If our roads are in such a condition that less revenue is necessary to maintain them in good order, then license fees should be reduced. For the time being, however, all the money available for road work is urgently needed. We have a most competent organisation in the Main Roads Board, and the funds of that body should not be depleted. On the other hand, extra money, if it is available, should be provided for the board. Lack of funds is all that has stayed the hands of the board and prevented the construction of roads that are urgently required. The principle involved in this legislation does not appeal to me, and I certainly do not like the idea of money being taken from traffic fees and paid into Consolidated Revenue. Already we have had some experience along those lines. For years the Fisheries Department has collected license fees and paid the money into Consolidated Revenue, and yet the fishing industry has been allowed to go by the board. A duty devolves upon Parliament to assist the Government in its financial difficulties, but, by the same token, the Government has a duty to see that State finance is on a sound and equitable basis. Particularly is that so with regard to the outer areas, which have not

had adequate consideration in the past. That is apparent when we consider the position regarding the railways. People in the outer districts have been treated very unfairly from that standpoint, and they are entitled to better roads and better transport facilities.

The Chief Secretary: Surely you are not complaining about the position in your district?

Hon. H. TUCKEY: No. A lot of money has been spent in my district. As a matter of fact, we appreciate very much all the Government and the Main Roads Board have done not only regarding our roads but other public works. At the same time, there still remain some roads that are in disrepair and need reconstruction. I know it is only a question of funds that prevents the work from being undertaken. While we have done very well from that standpoint, we look forward to further development. In a primary producing country like Western Australia, the more we can do to facilitate transport the more likelihood is there of people going on the land and staying there intent upon carving out a living.

On general lines I oppose the second reading of the Bill. I do not wish members to think I do so because I am a member of a local governing body. I have been associated with local government matters for over 20 years, but I take directions from no one. I do not take it from the Road Board Association nor yet from my district. I have indicated my personal views, and I hope I have made them clear to the Minister. If I have erred in any respect regarding the position, I hope he will deal with the points during the course of his reply. I repeat that I cannot agree that it would be wise to take money from the traffic fees collected in the metropolitan area, for I know that the local governing bodies there are in a similar position to those operating in the country districts. One has only to look about the metropolitan area to notice roads that require attention. I have been told on good authority that main road work has been held up because money is not available to permit the task to be undertaken. If any municipal council or road board had reduced rates because of high traffic fees collections, the position would be different, but I have yet to learn that that is so.

Sitting suspended from 6.15 to 7.30 p.m.

HON. W. J. MANN (South-West) [7.30]: I have been under the impression that the Government was more or less forced to take the action provided for in the Bill, but I am wondering whether I have been right. Some hon. members have referred to the action of the Grants Commission, leading one to believe that the Commission had taken exception to certain actions of the Government and had pointed out that unless the Government proceeded upon the lines thought desirable by the Commission, the grant to Western Australia would be more or less in jeopardy. I have studied the Commission's report fairly carefully. It is a comprehensive document and much of it is very sound. I noticed, however, that while the Commission pointed out what the State ought to do, the report contained a definite lack of suggestions as to how it might be done. The Commission recently took evidence in this State and I followed the Press reports that were published daily. I was astonished, one day last week, to find that the chairman of the Commission had definitely stated the Commission was in no way responsible for the Government's actions. I have with me a cutting from a newspaper which makes it very clear to me that while the Commission did not perhaps tell the Government in so many words what it would have to do, it did make suggestions, but now appears to give the impression that it had nothing whatever to do with the matter. I propose to quote from the "West Australian" of Wednesday or Thursday last remarks made by Mr. Egglestone, the chairman of the Commission, when referring to the budgetary position of the various States. Mr. Egglestone said—

When we are finding out the budgetary position of the States we try to get them on a comparable basis. When some of the States put an item in the Budget and one State does not, we have to rectify the budgetary adjustment by putting this item in.

That appears to me to be a peculiar formula. The Commission seems to have its own ideas, for which I suppose we can hardly blame it, but apparently it does not take much heed of the cases submitted by the States. Mr. Egglestone continued—

So far we have not done this with the interest on road loans in the case of Western Australia: we have pointed out the anomaly and suggested that we will have to take that into account. I understand that, as a result of our pointing this out, the Premier has proposed in legislation that this sum should be charged in the accounts and that certain other

compensating arrangements should be made. I would like to point out that we had no part in suggesting these compensating arrangements.

So that, after all, it was left to the Government to say just what funds should be selected to rectify the position to which attention was drawn by the Commission. The taking of the traffic fees was apparently not insisted upon by the Commission. Mr. Egglestone continued—

It was stated in the Legislative Council, I understand, that we were directing the State as to what it should do with this item. We have done nothing at all. We pointed out the anomaly and action that has been taken has been taken by the State on its own responsibility.

I am wondering where we stand in the matter. The proposal to take traffic fees from the local governing bodies appears to be a serious one from the viewpoint of those authorities. Last week I spoke to the chairman of one of the biggest road boards in the metropolitan area, and he was definitely concerned about what would happen to his board. He expressed the opinion that the diversion of these traffic fees would result in the dismissal of a number of men, and the curtailment of the works programme of the board, which is a very progressive body. So the Government seems to have chosen a method which is open to a good deal of question. The prevailing opinion appears to be that under the very best conditions the local governing bodies are faced with the prospect of receiving a good deal less money than they have had in the past. If that is so, one can quite understand their viewing the matter with concern. I was told that in the case of the particular board to which I have made reference, it would mean the dismissal of a number of married men with families—most of them purchasing their homes—and that the outlook for their re-employment was not very good. I wonder whether some other method could not have been selected. This subject was discussed by at least three road board conferences. There was one at Narrogin attended by the Honorary Minister at which a very definite expression of opinion was registered against any tampering with traffic fees, although the Bill, of course, does not apply to country districts. Another meeting was held at Merredin, where a similar resolution was passed, and we know that a protest was made at the Road Board Association confer-

ence in Perth, notwithstanding the fact that the Minister for Works addressed the gathering at length and explained the Government's viewpoint. I am, therefore, wondering whether, from the point of view of the local governing bodies, it is not better for us to vote against the measure. On the principle that a bird in hand is worth two in the bush, I propose to take that course.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West—in reply) [7.42]: In discussing the Bill quite a number of members have apparently paid little regard to the actual facts of the case and to the arguments that I submitted in support of the measure. Introducing the Bill, I pointed out that there was a big difference between it and the measure introduced last session. I think I made it quite clear that the Government had endeavoured to meet the strongest of the objections which were raised on the previous occasion, and I expressed the hope that as a result of the Government's endeavouring to overcome those objections, the House would receive this measure a little more sympathetically and that in view of the fact that its acceptance would mean such a big difference to the Treasurer, hon. members would agree with the arguments I advanced. I have no fault to find with the arguments advanced by members, who are entitled to their own opinions. We cannot, however, get away from facts. Some members went outside the scope of the Bill to find what to them were valid arguments against it. I suppose if I endeavour to reply to every point raised, I will be speaking for a long time, but I do not propose to do that. I will refer to what I consider to be some of the more important issues mentioned. Some members even went so far as to say they could not support a measure that was fleching or thieving from the local authorities money to which they were entitled under the Act, and had been receiving for many years. Members who used that argument had no regard for the facts. They either overlooked or were not aware of the fact that any money which is to be taken by this Bill from the local authorities will be made good to them from another source. It cannot, therefore, be said that the Government is fleching anything from local authorities.

Other members dealt with the Bill from the point of view of country road boards and country local authorities generally. I have

made it clear that it will in no way affect local authorities outside the metropolitan area. I do not know that I can say anything more definite or stronger than that. Members must know that before any alteration can be made concerning the collection and distribution of traffic fees in country districts the Traffic Act must be further amended. If the Government desired to do with the traffic fees which are collected in the country areas what it is seeking to do by this Bill with the traffic fees collected in the metropolitan area, members would have every justification for saying, "We were given an undertaking by the Government that there was no intention to deal with traffic fees in country areas in this way, and are not prepared to agree to the amendment." Mr. Tuckey stated that two members—I think he referred to Mr. Baxter and Sir Hal Colebatch—had quoted from the reports of the Grants Commission in such a way as to offset anything I had said in support of the Bill. I do not think Mr. Baxter quoted at all from the report of the Grants Commission.

Hon. J. J. Holmes: He quoted what you said two years ago.

The CHIEF SECRETARY: I will refer to that. He certainly mentioned that some recommendations were made by the Grants Commission, of which apparently the Government took no notice. He did not say what they were, and did not quote any extracts from the Commission's reports.

Hon. C. F. Baxter: I was referring to industrial matters.

The CHIEF SECRETARY: Something which has nothing to do with the subject under discussion. Sir Hal Colebatch said he objected to being dictated to by the Grants Commission or any other body. One could agree with the remarks he made when he said he was always under the impression that the Grants Commission had been appointed to give compensation to the States which were suffering from disability as a result of Federation. Most members believed that would be the basis upon which any compensation might be made to the States in the form of grants. Early in the piece the Commission indicated that it did not propose to award any grants on that basis. What it did propose to do was to award grants to the claimant States in accordance with their needs. Seeing that the Commission is a statutory body, and that the Commonwealth Government has at all times been prepared

to accept its recommendations, we have had to be satisfied with its decision in that regard. Though we do not agree with the basis upon which the Commission makes grants to this State, that is not to say we have nothing to do with it. It is not an argument against the proposals contained in the Bill. Even though we might disagree with the Commission as to the basis upon which it arrives at its grants to this State, we should at least be pleased that it has drawn attention to quite a number of matters.

Acceptance of the recommendations as to those matters has led to an improvement in the finances of this State. The Commission drew attention to the difference between this and the other States in many respects. More particularly has it drawn attention to the large amount of loan money spent in this State, money which is in no way reproductive. It is mainly on account of the Commission's influence in that direction that the Government introduced the Bill last year. For the benefit of Mr. Mann, who seems to think, from a newspaper report he quoted, that the Grants Commission has not been responsible in any way for the introduction of this Bill, I should like to read what I quoted on a previous occasion, namely, from the last two reports of that body. It will be understood that the Commission has not told the State Government that it must introduce a Bill containing the clauses set out in this measure. I think members must agree, however, when I quote these short extracts from the reports, that the Commission could hardly have said anything plainer in connection with this matter than it did. Paragraph 191 of the report of the Commission for 1939-40 states—

We draw attention to paragraphs 108-119, where we deal with the criticism of our action last year in using our general judgment to reduce slightly the grants of the claimant States, on the ground that the condition of certain accounts had not improved or had become worse, owing to the failure to adapt their policies to conditions of prosperity. In the Fifth Report attention is drawn to the large amounts of outstanding debts due to the Crown in South Australia, to unproductive loan expenditure in Western Australia, and to railway and local government finance in Tasmania. A review of the accounts for 1937-38 leads us to believe that our criticism has not been adequately met, though in certain accounts improvement is noted. This year we feel impelled to direct attention to further matters relating to current policy.

Road Expenditure: In the three claimant States road expenditure had advanced appreciably in recent years. At the same time railway losses in Tasmania and South Australia continue to be a heavy burden on the finances of the State.

Under the Federal Aid Roads and Works Agreement of 1937, the Commonwealth sets aside for distribution amongst the States an amount equal to the duty collected on petrol at 3d. per gallon customs duty and 2½d. per gallon excise duty.

Under the method of distribution, "the three claimant States, South Australia, Western Australia and Tasmania, receive more—in the case of Western Australia and Tasmania considerably more—than is actually collected by the Commonwealth from the people of those States. In other words, the people of the non-claimant States are, in effect, contributing, by way of duty on petrol, towards roads and works expenditure in the claimant States."

The following figures supplied by the Commonwealth Treasury illustrate the advantage gained by the claimant States during recent years under the Federal Aid Roads Agreement:—

I will quote only the Western Australian figures—

Amounts collected from States for Federal aid roads and works, Western Australia £1,176,262; amount payable to and on account of State, Western Australia £2,811,184; amount payable to State in excess of collections in State, Western Australia £1,634,922.

Notwithstanding the substantial increases in the Federal Aid Roads Grants, the three claimant States are spending large sums from loan funds on roads.

Hon. W. J. Mann: That is where I disagree with the Commission.

The CHIEF SECRETARY: That does not matter. It is what we have to put up with and have to accept—

Most of this expenditure is unproductive. Little or no attempt is made to recover even a portion of the annual debt charges from local authorities, and in Western Australia and Tasmania no part of motor taxation revenue is used to meet the annual debt charges on the loan liability for roads.

Hon. W. J. Mann: The motorists are paying for the roads.

The CHIEF SECRETARY: Paragraph 198 states—

Now that positive action has been taken to deal with the transport problems of the State, it is felt that the time is opportune to divert a proportion of motor taxation revenue towards meeting a part of the very large annual debt charges on loan moneys spent on roads. The marked increase in Federal Aid Road Grants and in motor taxation should enable this to be done without much difficulty. A similar course is suggested

for Western Australia. In other States a substantial proportion of motor taxation is applied in the manner above indicated, and the Budgets of those States are correspondingly relieved.

Paragraph 204 of the Grants Commission's report states—

We think that, in view of the considerations mentioned in this chapter, we should make a general deduction from the grants of the three States. We therefore adjust the above figures by deducting £22,000 from South Australia, a similar amount from Western Australia and £23,000 from Tasmania.

Hon. W. J. Mann: Perilously near telling us—

The CHIEF SECRETARY: I think they are not only telling us that we should do something, but that if we do not they will continue to penalise us, and they are doing that. In paragraph 222 of the Commission's report we find this—

In our Sixth Report we suggested that Western Australia should fall into line with the practice of other States by allocating part of motor taxation to meet interest and sinking fund charges on road debt. In view of the very marked increases in motor taxation and Federal aid road payments, we believe that it should not be difficult to adopt the course suggested. The relief to State revenue would be about £130,000 per annum. In view of the possibility of reduced Federal aid road grants, we shall not make an adjustment this year to bring the Western Australian Budget into line with that of other States. The position will, however, be reviewed next year.

There again, in the Commission's most recent report we find its members are still telling us the same thing. Further, the Commission tells us that the matter will be reviewed again next year. So the Government has come down with the Bill now before the House. If it could be argued that by this Bill there is going to be a smaller grant of money available to the local authorities, I would agree that there was some strength in the arguments used by members. But that is not the case. The position today is, according to the figures supplied to me, that the aggregate amount of money spent by all local authorities in the metropolitan area is above the amount received from traffic fees. I propose to give the House a little information in that direction. Before doing so, however, I should like to deal with two or three points raised against the Bill. Mr. Baxter said that he could not quite understand the Chief Secretary's

argument in view of the remarks that he made two years ago, and the hon. member quoted some remarks of mine when I was speaking on the Address-in-reply. One would have thought from the statement of the hon. member that I said something then which was quite different from what I am saying now. I was then dealing with an entirely different matter and I have no reason to retract one word of what I said on that occasion.

Speaking on the Address-in-reply the hon. member suggested that we should amend the Traffic Act to provide for the diversion to country districts of some of the traffic fees which were being spent in the metropolitan area.

That was his suggestion and he supported it by saying that in two years' time, or words to that effect, the Commissioner of Main Roads would not know what to do with the money he had at his disposal for the making of roads in the metropolitan area. I have here a copy of "Hansard" from which I will quote what I did say.

Hon. C. F. Baxter: What I said was quite true.

The CHIEF SECRETARY: The remarks I made on that occasion cannot be applied to the Bill we are now considering. My remarks that the local authorities were doing very well with the money at their disposal cannot be used as an argument against the Bill now before us.

Hon. C. F. Baxter: You said much more than that.

The CHIEF SECRETARY: Here is what I said—

The balance goes to the local authorities and it is used very wisely. I know that the body with which I am associated is always ready to receive the amount allocated and can always find plenty to do with it; in fact, the board would be pleased if the amount could be increased.

Hon. C. F. Baxter: Read the last part that I quoted.

The CHIEF SECRETARY: This is it—

As in the past, the money that is available is being applied to necessary and commendable works.

Hon. C. F. Baxter: Read on.

The CHIEF SECRETARY: Very well—

I think members will agree the time is not yet—whether it will be—when the money so collected and used in the metropolitan area should be diverted elsewhere.

Hon. C. F. Baxter: Are you not diverting it elsewhere?

The CHIEF SECRETARY: No.

Hon. C. F. Baxter: Of course you are.

The CHIEF SECRETARY: I have said and still say that there can be no complaint about the manner in which the local authorities are using this money; it is being spent on the construction, reconstruction and maintenance of roads. I do not agree with the hon. member who said that many roads in the metropolitan area are in a bad condition. Most of those roads are in very good condition and by this Bill the position will not be altered because the local authorities will have just as much money for this purpose as they have had in the past. There is nothing in the Bill that can be construed into a dictation to the local bodies as to how the money shall be spent. Mr. Baxter said that the traffic fees were to be used for a specific purpose, that is to say, the construction of roads.

Hon. W. J. Mann: Does the definition of "road" include "footpath"?

The CHIEF SECRETARY: The local authorities spend money on roads and footpaths. Generally speaking, footpaths do not come under the Federal Aid Roads Agreement which covers only the construction of roads.

Hon. J. Cornell: "Footpath" can be construed to mean a right-of-way.

The CHIEF SECRETARY: Traffic fees can be used for any purpose. Under the Federal Aid Roads Agreement the money provided must be used exclusively for the construction of roads. Accepting that position, if I can show that the local authorities that are affected by this measure will receive an equivalent amount of money, that is, the amount to which they would be entitled from traffic fees, and they will not be prejudiced in the work for which they use that money, then there can be no argument against the passing of the Bill.

Hon. J. J. Holmes: You take this money and recoup them from another source.

Hon. L. Craig: The roads programme is reduced.

The CHIEF SECRETARY: No.

Hon. W. J. Mann: Footpaths will be.

The CHIEF SECRETARY: No. Members should look at the position from the point of view of the amount of money spent annually by the local authorities and by the State Government. If they do so

they will realise that the programme of road construction will not be affected in any shape or form. I propose to tell the House why. I have had figures taken out showing what has been done by the local authorities in the metropolitan area during the past few years. I do not intend to quote all the figures, which cover the period of five years to the end of October, 1939, for the municipalities, and six years ended the 30th June, 1940, for the road boards. Nine municipalities would be affected by the Bill. During the five years they received in traffic fees £281,731 and over the same period on the construction and maintenance of roads they spent £381,795 or approximately £100,000 more in that period than they received in traffic fees. In addition they spent on construction and maintenance of footpaths £144,507. Further they spent £136,484 in various ways and the greater part of that amount could rightly have been charged against the construction of roads. These figures are taken from the balance sheets of the local authorities. There are twelve road boards involved. They received from traffic fees £235,068 and spent on construction and maintenance of roads £358,367 or £123,300 more than they received in traffic fees. In the same period the road boards spent £51,468 on the construction and maintenance of footpaths and there is a further sum of £98,137 a large proportion of which could also rightly be charged against the construction of roads. Let us make a comparison with the last year. If we take the whole of the road boards we find that with two exceptions they have received less in traffic fees than they have spent on the construction of roads. If we come down to 75 per cent. of the traffic fees, as I have mentioned, there is not one local authority—so far as I know—carrying on its normal activities that will be affected in the slightest degree, because its normal expenditure on roads is greater than the amount of its traffic fees would be under the Bill.

Hon. A. Thomson: Why not leave things as they are?

The CHIEF SECRETARY: Because, as I have already said, we are spending a large amount of Loan money each year that is unproductive. Last year the amount was £325,000. The Grants Commission says that we ought to take steps to ensure some return for that money.

Hon. A. Thomson: What was that £325,000 expended on?

The CHIEF SECRETARY: Country roads and bridges.

Hon. W. J. Mann: Does the Government agree that such expenditure is unproductive?

The CHIEF SECRETARY: It is unproductive so far as the Treasury is concerned, because the State receives no revenue from it and interest and sinking fund must be found by the Government.

Hon. A. Thomson: It was the means of finding employment for sustenance workers.

Hon. W. J. Mann: What the Minister says is a half-truth.

The CHIEF SECRETARY: I am not going to argue whether it is a half-truth or not. The hon. member has criticised this Government on several occasions because he contended that as we were not getting a return from the expenditure of Loan money we were not functioning properly.

Hon. W. J. Mann: You did not understand what I meant. I did not mean that it was a half-truth from the point of view of the Government, but from the point of view of the Grants Commission.

The CHIEF SECRETARY: I can but speak of the Grants Commission as the Commission expressed itself in its report. The Commission said clearly that we were spending large sum of Loan money each year on roads which, from the point of view of the Commission, were unproductive. The Commission then said that unless the Government was prepared to take some action that would at least ensure something for the Government to meet the interest or servicing charges on those funds, the Commission would penalise the State. It has already penalised Western Australia to the extent of £22,000 on that account. There is no escaping that point. If this Bill is agreed to. I suggest that the adverse position in which we find ourselves when presenting our case to the Commission will be improved to the extent that we shall be able to show that we have taken action on the lines suggested by the Commission. Having satisfied the Commission that that is so, it must reverse its previous decision; instead of penalising the State to the extent of £22,000, the Commission would be compelled to say, "You have at any rate made an attempt to bring your-

selves into line with the non-claimant States and therefore we will not penalise you as we have done in the past."

Hon. J. Nicholson: Do not you think that the difference between this and the other States is the principle involved?

The CHIEF SECRETARY: I do not think there is much difference with regard to that point. I have already said that in all the other States—with I think one exception—traffic fees are taken into Consolidated Revenue. Mr. Baxter said it seems rather strange that the Grants Commission should criticise this State, in view of the fact that South Australia receives more from traffic fees, and yet the Commission has not criticised South Australia. I think that is a fair interpretation of the hon. member's remarks. As a matter of fact, in South Australia traffic fees are paid into revenue and the Government of that State gets a corresponding benefit. Of course, the fees are paid out again. The Grants Commission has drawn attention to that fact.

Hon. C. F. Baxter: In South Australia the fees are returned to revenue, not in the way in which it is intended they shall be dealt with in this State.

The CHIEF SECRETARY: The hon. member cannot get away from facts. In this State traffic fees are not paid into revenue; they are paid into a trust fund. In South Australia they are paid into revenue.

Hon. J. Cornell: Traffic fees are paid into revenue in all the other States.

The CHIEF SECRETARY: I would like the House to accept my assurance on the point.

Hon. J. J. Holmes: What is the object of paying the fees into revenue in South Australia and paying them out again?

The CHIEF SECRETARY: Traffic fees are paid into revenue in South Australia, and then what is considered a fair amount is paid to the local authorities.

Hon. L. Craig: The local authorities receive a proportion, in the way that our local authorities do.

The CHIEF SECRETARY: South Australia has some formula. I gave members details about it and I ask them to accept my word that that is the position. In all the other States a similar course is followed.

Hon. J. Cornell: In the other States there is but one licensing authority.

The CHIEF SECRETARY: Yes, whereas here we have two, as members are aware.

Hon. J. Cornell: Half-a-dozen.

The CHIEF SECRETARY: We have the police in the metropolitan area and the local authorities in the country districts. We do not propose to interfere with that matter at the present time.

Hon. J. Cornell: The police supervise traffic all over the State.

The CHIEF SECRETARY: Yes. I have pointed out that the Government does not intend to do anything that will interfere with the amount which the local authorities would ordinarily receive from traffic fees.

Hon. L. Craig: The local authorities do not think that; they are very concerned.

The CHIEF SECRETARY: The officials of the Local Government Bodies Association agree. A deputation from that association was received by the Minister for Works on the 3rd October. These are the minutes of the conference—

After a long discussion, Mr. Black agreed that the allowance of 25 per cent. provided in the Bill to meet subsidiary traffic expenditure and the lag in the collection of loan rates, was quite adequate; also that the duration of the proposed Act was satisfactory. He also agreed that the metropolitan local governing bodies as a whole would suffer no financial loss under the proposal.

Hon. L. Craig: He has a different story to tell to-day.

The CHIEF SECRETARY: I have found a reference to South Australia, although it is not the one I intended to quote. This is from the "West Australian" newspaper of the 26th September last—

After deducting the cost of collection by that department, the balance of the money is credited to a deposit account of the Highways and Local Government Department for expenditure on road works and meeting standing charges for interest and sinking fund payments in respect of loan expenditure on roads.

I would particularly emphasise the latter part of that quotation: "for expenditure on road works and meeting standing charges for interest and sinking fund payments in respect of loan expenditure on roads." Therefore the South Australian Government receives interest on the money—other than traffic fees—which it expends on roads.

Hon. J. Cornell: The equivalent to our Main Roads Board in South Australia is the Highway Board.

The CHIEF SECRETARY: I have now found the notes for which I was looking. They read—

South Australia:

Collected by one central authority.
All credited to general revenue.
No portion directly accrues to any local authority.

Parliament from general revenue votes funds for main and district roads.

Amount collected 1936-37, £638,658.

Amount voted from revenue, £362,970.

Amount voted from loan, £324,653.

Of the above, £164,764 comprised grants to local authorities under the provisions of the Highways Act.

The City of Adelaide does not come under this Act and no allocation was made to the city.

Under the Local Government Act, the City of Adelaide receives approximately £1,370 per annum.

Victoria:

All collected by the Police Department and paid to the Country Roads Board Fund in the Treasury.

This fund is applied to—

(a) payment of interest and sinking fund on the State's proportion of loan expenditure incurred under the Country Roads Act on the construction of roads;

(b) maintenance and reconditioning of main roads, State highways, tourist roads and Murray River bridges.

Municipalities are responsible for main roads within their districts, but they are assisted so far as the above fund will permit.

Tasmania:

All fees collected by the Police Department. Paid into consolidated revenue.

Appropriated each financial year to a trust account, called the State Highways Trust Fund, for expenditure on State highways proclaimed by and under the control of the State.

No amount of the fund is allocated to any local authority, nor is any expended in the City of Hobart.

Queensland:

All collected by the Police Department.

Paid into Main Roads Trust Fund and used for the maintenance and construction of roads under the Acts.

No direct payments are made to any local authorities, but they benefit by the work undertaken.

Out of a total of 145 local authorities, 143 benefited last year.

Local authorities, including Brisbane presumably, contribute on a fixed percentage basis in regard to certain classes of roads. They do not contribute anything in regard to State highways, mining access roads, or tourist tracks.

An amount of £250,000 is diverted annually from the fund to consolidated revenue and the fund is relieved of interest and sinking fund on an equivalent amount of loan money.

New South Wales:

Registration and licensing is vested in the Commissioner for Road Transport and Tramways.

Revenue is paid to:—

Road Transport and Traffic Fund.

County of Cumberland Main Roads Fund (metropolitan area) (50 per cent. of the fees collected in the county).

Country Main Roads Fund.

Public Vehicles Fund.

State Transport (Co-ordination) Fund.

The proceeds of the County of Cumberland and country main roads funds is paid to the Department of Main Roads and is spent on the construction and maintenance of proclaimed main and secondary roads, the county of Cumberland fund being spent within that area which is broadly the metropolitan area within approximately 40 miles of Sydney. The country fund is spent outside that area. The distribution is on the authority of the department either direct or through local authorities. The department bears the whole cost of work in the County of Cumberland except secondary roads, where the contribution is one-half. In the country, for State highways, department pays full; trunk roads, department three-quarters; ordinary main roads, department two-thirds. There are no secondary roads in the country.

The public vehicles fund, which is for registration of motor buses, is distributed to shires and municipalities as nearly as possible on the mileage of various routes. It is used for the purpose of reconstruction and maintenance of roads used for omnibuses.

Public vehicles other than omnibuses—the tax is used for resuming or acquiring land or other expenditure for improvement of transport, or relief of congestion, or protection of pedestrians.

Service license fees in connection with the operation of buses is appropriated 50 per cent. to Department of Main Roads and to municipalities and shires in the two transport districts in the same proportion as the motor buses registration fees.

Proportion of bus and service license fees paid to Sydney for year ended 30th June, 1937, £734 3s. 2d.

State Transport Co-ordination Fund fees are applied to meet the cost of administration and enforcement of the Act.

Mileage charges are paid to the Railways Fund and the Tramways General Fund calculated on the extent of competition with the particular service.

Road transport and traffic fees: Fees are utilised for administration of department including cost of collection of tax; to recoup consolidated revenue for police services; provision of traffic facilities.

The balance at the end of each year is transferred to Country Main Roads Fund.

That is a brief survey of the practice in the other States of the Commonwealth. I have shown that in every instance the funds are paid into revenue by one means or another, whereas in our metropolitan

area they are paid into a trust fund. Under this Bill we propose to take 75 per cent. of the amount into revenue and pay a similar amount from the Federal aid roads fund for distribution amongst the local authorities on the same basis as the distribution is made at present. In view of the fact that we are providing that 25 per cent. of the funds might be utilised by the local authorities in any way they deem fit, and that 75 per cent. of the funds will meet the expense of constructing roads in the metropolitan area, those local authorities will not be placed in any worse position. I do not know of any stronger argument that can be used in favour of the Bill.

We in this House should have some regard for the financial position of the Government. When the Treasurer has pointed out that he has taken this matter into consideration in presenting his Budget in another place, and that the receipt of this money into general revenue will so improve our position that we shall be nearer to balancing the Budget, and will prevent the Grants Commission from penalising us, as it did to the extent of £22,000 last year, we should have some regard for the importance of the change. I am a member of a local authority. From my experience of that body, I can say that whether we get the money from the traffic trust fund or from the Federal aid roads fund is immaterial, because we spend more money on the construction of roads than we receive from traffic fees. I think that would be the experience of other bodies. When it will make no difference to the actual amount of money the local authorities will have for the purpose, and when we shall confer a benefit upon the Treasury and improve our standing with the Grants Commission by coming into line with the other States, Parliament should exercise its prerogative and say, "This is a fair thing and a right thing to do."

Hon. J. Cornell: In other words, why lose £22,000 a year when that loss can be obviated without hurting anyone?

The CHIEF SECRETARY: That is the argument I am advancing. The Grants Commission has directed attention to this matter and said in effect, "Unless you bring your affairs into line with those of the other States, you cannot expect the non-claimant States to continue to contri-

bute towards the grant you are receiving. You should be prepared to bring yourselves as nearly as possible into line." The fact of our not being in line with the other States cost us £22,000 last year, and probably will continue to cost us money in the form of a penalty so long as the Grants Commission continues to hold the views mentioned, which have been expressed on more than one occasion.

I should like to say a few words in reply to the remarks of Mr. Fraser. He said—

It appears to me that if the measure is agreed to, progressive districts will be penalised and a bonus will be given to those that have neglected their responsibilities to their ratepayers . . . The municipality is making its own cement slabs and is putting down cement slab footpaths. Under these proposals it will not receive a penny.

I think the hon. member added that he was sitting on the fence and it would depend upon what I had to say in reply on which side of the fence he fell.

Hon. V. Hamersley: Have you pushed him off yet?

The CHIEF SECRETARY: I thought I had made the position quite clear that, as regards country local authorities, they will not be affected in the slightest degree. I thought I had also made it clear that the local authorities in the metropolitan area will receive the equivalent of what they get under the present Act.

Hon. G. Fraser: I was speaking of one in particular.

The CHIEF SECRETARY: The hon. member was referring to the North Fremantle Municipal Council, which has spent considerably more on the construction of roads than it has received from traffic fees.

Hon. G. Fraser: The figures supplied to me at the office are different.

The CHIEF SECRETARY: I cannot explain that.

Hon. G. Fraser: I obtained them from the town clerk.

The CHIEF SECRETARY: I have the figures of the North Fremantle municipality. In five years that body spent £10,913 on the construction and maintenance of roads and footpaths. In addition it spent £5,058 on items, the greater proportion of which sum is or should be chargeable against roads. It is difficult to dissect the balance sheet in order to classify the various items. There

are many items such as holiday pay, insurance and construction of concrete slabs that should have been a charge against roads but are accounted for separately in the balance sheet. From traffic fees the council in the same period received £9,615. In the year 1938-39 the council received £1,654 in traffic fees and spent £1,570 on the construction and maintenance of roads. In addition it spent £1,287, the greater proportion of which could and should be charged against road construction.

Hon. G. Fraser: That is on roads and footpaths.

The CHIEF SECRETARY: Therefore 75 per cent. of the traffic fees received last year would be approximately £1,240, and if the council carried out the normal work such as was done last year, it would spend considerably more than that sum on the construction and maintenance of roads, and there would be the other items, to which I have referred, which would be a fair and proper charge against the construction and maintenance of roads. Thus the North Fremantle Council would not be affected in the slightest.

Hon. G. Fraser: I was given £700 as the expenditure and £1,500 as the traffic fees, a difference of approximately £800.

The CHIEF SECRETARY: The figures I have quoted are taken from the statement of accounts. I do not know where the hon. member got his figures.

Hon. G. Fraser: I got them from the council's books.

Hon. J. Nicholson: I think that Mr. Fraser's desire is to emphasise that the municipal councils would not get the money unless the whole of it was spent on road construction. That would be different from the position at present.

Hon. J. J. Holmes: Who has the floor?

The CHIEF SECRETARY: We have tried to meet that objection, which was raised last year, in that we propose to take only 75 per cent. of the traffic fees into revenue, leaving the other 25 per cent. for the local authorities to use as they think fit. Twenty-five per cent. of the traffic fees received by the North Fremantle Council last year would amount to about £414.

Hon. L. Craig: You said that the State's road programme would not be interfered with in any way.

The CHIEF SECRETARY: That is so.

Hon. L. Craig: Surely there is less money left for main road construction and so on.

The CHIEF SECRETARY: No, because we use a certain amount of loan money. Every year, in accordance with the requirements of the country, we use loan money for the purpose of building roads. Last year £320,000 odd was spent for that purpose, in addition to traffic fees and Federal aid road grants.

Hon. L. Craig: Does the Chief Secretary—

The PRESIDENT: Order! I would like to remind hon. members that the Chief Secretary is not a witness under cross-examination.

The CHIEF SECRETARY: I do not know that I can say anything more definite than I have said. I have already pointed out that 97 per cent. of the main roads fund is spent on roads in the country, and that last year we spent some £320,000 from loan money on road construction in the country. The proposals of this measure will simply have the effect of transferring equivalent amounts of money from one fund to another. They will be credited to revenue, and will enable the State Government to show that it is receiving into revenue a certain amount of money in respect of unproductive loan moneys spent on roads, and, in addition, to convince the Grants Commission that we have endeavoured to put our house in order from that aspect, at any rate. If we can convince the Commission of that, its members can say, "There is no need to penalise you any further, and we are quite prepared to accept that position." If, as has been pointed out, it will make a difference of at least £22,000 so far as the Government is concerned, I think members will agree that that is the right thing to do, more especially as I have endeavoured to convince them that local authorities in the metropolitan area will receive under this Bill not less than they are entitled to receive under the Traffic Act as it stands. More I cannot do. I do hope that on this occasion the Legislative Council will agree to assist the Treasurer in this respect, because it will enable him to get nearer to balancing his budget than otherwise he would be able to do. One thing which the State did undertake at the Premiers' Conference when war broke out was to assist the Federal Government to the best of Western Australia's ability, and it was thought that we would be rendering

the best possible service if we attained a stage where we would be able to balance our budget. I have done my best to try to explain that position clearly to the House.

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

Ayes	7
Noes	13

Majority against .. 6

AYES.

Hon. J. Cornell	Hon. W. R. Hall
Hon. L. Craig	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. H. Seddon
Hon. E. H. Gray	(Teller.)

NOES.

Hon. C. F. Baxter	Hon. J. Nicholson
Hon. L. B. Bolton	Hon. H. S. W. Parker
Hon. Sir Hal Colebatch	Hon. A. Thomson
Hon. V. Hainwaley	Hon. H. Tuckey
Hon. J. J. Holmes	Hon. F. R. Welsh
Hon. J. M. Macfarlane	Hon. H. L. Roche
Hon. W. J. Mann	(Teller.)

PAIES.

AYES.	NOES.
Hon. G. W. Miles	Hon. H. V. Plesse
Hon. E. M. Heenan	Hon. G. B. Wood
Hon. E. H. H. Hall	Hon. J. A. Dimmitt
Hon. T. Moore	Hon. G. Fraser

Question thus negatived; Bill defeated.

BILL—MINE WORKERS' RELIEF ACT AMENDMENT.

Second Reading.

Debate resumed from the 16th October.

HON. H. SEDDON (North-East) [8.53]:

I have examined the Bill, and intend to give it my support. It has been fully explained by the Chief Secretary, and therefore there is no need for me to elaborate upon its provisions.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

House adjourned at 8.56 p.m.

Legislative Assembly.

Tuesday, 22nd October, 1940.

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Royal Agricultural Society Act Amendment, 3a.	1413
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The SPEAKER took the Chair at 4.30 p.m., and read prayers.

QUESTION—PRODUCER GAS PLANTS.

University Tests.

Mr. BOYLE asked the Minister for Industrial Development: 1, Following the announcement of the Industries Department some time ago that comparative tests for gas producers would be conducted by the University, have these tests been finalised? 2, If not, what is the cause of the delay? 3, Is he aware that the delay in announcing the results is tending to prevent the expansion of the gas producer industry in this State?

The MINISTER FOR INDUSTRIAL DEVELOPMENT replied: 1, No. 2, Efforts are being made to construct the equipment locally but there has been some delay in delivery of certain parts of the plant. 3, No.

ASSENT TO BILLS.

Message from the Lieut.-Governor received and read notifying assent to the following Bills:—

- 1, Agricultural Products Act Amendment.
- 2, Kalgoorlie Health Authority Loan.

BILL—FISHERIES ACT AMENDMENT.

Introduced by the Minister for the North-West and read a first time.