

Mr. KENNEALLY: I shall leave that matter in the circumstances, and possibly we may have the benefit of the Attorney General's consideration of the point at a later stage.

The Attorney General: In the definition of "salary," it says that the term does not include "district allowance or any allowance that the Governor may in that behalf determine."

Mr. KENNEALLY: That is where I think the risk lies.

The Attorney General: We will be prepared to commit ourselves as to what allowances we shall exempt.

Mr. KENNEALLY: I would draw the attention of the Attorney General to the fact that the definition says what the term shall include, and what it shall not include.

The Attorney General: That is, I admit, a draftsman's horrible habit.

Mr. KENNEALLY: While the definition says that certain things shall be included, these allowances are not to be excluded, and it seems possible that, not being specifically excluded, they may be included. The measure seeks to effect a drastic cut in the wages of the workers, and it is a matter for regret that specific provision has not been made to protect the interests of the workers in respect of commitments entered into when they were in receipt of higher rates of wages than those that will obtain should the Bill become operative. Recently we had a Bill before us under which it was sought to secure a reduction in the future rates of interest. The Attorney General has given notice of his intention to introduce a further Bill that will deal with private mortgages. What I am concerned about is that amongst those who will be heavily hit by the drastic reduction in wages and salaries, are many people who have entered into financial commitments knowing that they had a contract with the State that so long as they looked after themselves and worked efficiently, they would be provided with a certain salary per week. Those people may have entered into obligations for the purchase of their homes, or into other commitments for their improved social and industrial welfare. All of a sudden the money, the source upon which they rely to meet their commitments, is drastically curtailed. So far, no method has been suggested by which the

interests of such people will be safeguarded. They will be placed, in some instances, in such a position that they may not be able to complete their contracts, and they may have to lose their money. If we are to pass the Bill now under consideration, some provision should be included so that their contracts shall be protected. These people now find themselves in a very difficult position through no fault of their own. The Government have not queried the good service they have rendered the State. I hope the Attorney General will give some consideration to that phase. I trust the Bill will not reach the Committee stage, but if it does, I hope it will be considerably amended so as to make it more reasonable in its application, and that in the end it will make a call upon those who can afford to pay, to suffer in accordance with their ability rather than that those on the lower rung shall be called upon to carry an undue burden.

On motion by Mr. Millington, debate adjourned.

House adjourned at 10.27 p.m.

Legislative Council,

Wednesday, 15th July, 1931.

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

QUESTION—MINING, TUBERCULAR WORKERS.

Hon. E. H. HARRIS asked the Minister for Country Water Supplies: 1, How many men who sought employment in the mining

industry were refused certificates as being sufferers from tuberculosis during the year 1929-30? 2, Of these, how many were (a) of British nationality, (b) other nationalities?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: 1, Thirty-five (*i.e.*, from 1st July, 1929, to 30th June, 1930). 2, (a) Twenty-seven, (b) eight.

QUESTION—EDUCATION, MONITORS.

Claremont Training College.

Hon. H. J. YELLAND asked the Minister for Country Water Supplies: 1, How many monitors are teaching in Government schools? 2, How many children are allotted to each monitor under the Education Act and regulations? 3, In what types of schools are monitors employed? 4, How many of these are in post primary and secondary schools? 5, What are the maximum and minimum salaries paid to such monitors? 6, How many classes are there in primary schools in which the enrolment is (a) 40 to 50; (b) 51 to 60; (c) over 60? 7, To what use do the Government intend to put the Claremont Training College building after closing the college? 8, What was the cost of the land, buildings, and equipment?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: 1, 184 monitors are employed in 160 schools. 2, Regulation 112 provides that a monitor shall be appointed when the average attendance of a school has exceeded 30 for six months. In larger schools monitors may be provided at the discretion of the Minister. 3, In all types of schools, except Class VIII. schools, and secondary schools. 4, Six monitors. 5, Salaries: Males £84 first year, £110 second year; females £72 first year, £96 second year. 6, (a) 40-50, 304 classes; (b) 51-60, 329 classes; (c) over 60, nil. Note.—Schools are staffed in accordance with Regulation 112 on the average attendance, and not on the enrolment. 7, Until the college is re-opened as a teachers' training college use will be made of various rooms in the building to accommodate overflow numbers in other schools. 8, This cannot be answered without having a valuation made.

ASSENT TO BILL.

Message from the Administrator received and read notifying assent to the Farmers' Debts Adjustment Act Amendment Bill.

PAPERS—PREMIERS' CONFERENCE REPORT.

The MINISTER FOR COUNTRY WATER SUPPLIES: I have four copies of the report of the recent Premiers' Conference in Melbourne, at which the financial position of Australia was discussed and a rehabilitation plan arrived at. As these are the only copies available for members of this House. I would like to have your ruling, Mr. Deputy President, as to whether these copies may be taken away from the Chamber. If permission is given to some members to remove them, other members may be inconvenienced through the reports not being available.

The DEPUTY PRESIDENT: With the permission of the President, such papers may be taken away from the Chamber, but must be returned when the House is sitting. Should I give permission to anyone to take one of the reports away, I shall see to it that the Chamber is not left without a copy of the report.

The MINISTER FOR COUNTRY WATER SUPPLIES: That being the position, I move—

That the papers lie upon the Table of the House.

Question put and passed.

BILL—HIRE-PURCHASE AGREEMENTS.

Select Committee's Reports.

Hon. H. Seddon brought up the majority and minority reports of the select committee appointed to inquire into the Bill.

Resolved: That the reports be printed and taken into consideration on the 21st July.

BILL—STATE MANUFACTURES DESCRIPTION.

Read a third time and returned to the Assembly with amendments.

BILL—DEBT CONVERSION AGREEMENT.

Second Reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [4.40] in moving the second reading said: It is now possible, after many weary months, to place before hon. members the proposals, or rather the Plan of the Conference of Premiers for the economic redemption of Australia, and, may I add that it was only after valuable time had been lost in aimless discussion elsewhere, that the Premiers were allowed the opportunity to grapple with the situation. A perusal of the Bill will show that they have not shirked the stern needs of the position, as others have done, in the attempt to escape the consequences of long years of extravagant spending and overborrowing by Australian Governments. Realising the urgent necessity of concerted action, the Premiers gathered together in Melbourne in May last to work out a plan of financial equilibrium, as it was conclusively apparent to them, and to all other responsible men in Australia, that a firm agreement between the Governments on those lines would do much to convince the public that the situation was being fairly met, and it would give them that faith in the future, which is a necessary first step towards the recovery to prosperity. With that object in view they set to work and after deliberating and investigating for three weeks they found:—

1. That the loan market was closed to Governments in London and Australia.
2. That short term borrowing would no longer be possible, even for moderate amounts, unless the budgets could be brought within £15,000,000 of balancing.
3. The deficit for the year ended 30th June, 1931, was about £31,150,000.
4. That the estimated deficit for 1931-32 was £41,080,000.
5. That £26,430,000 must be met by reduced expenditure, and some increased taxation.

In the course of its proceedings, the Conference had before it the report of a sub-committee of the Loan Council, consisting of Messrs. J. P. Jones, representing Victoria, and L. Hill, the Premier of South Australia, and Sir James Mitchell, the Premier of this State. The Conference was also assisted by a report from the economists and the Under Treasurers who had been appointed a com-

mittee of advice and recommendation; and the reports of those two committees are now in the hands of honourable members. The discussion went on until the 9th June, when Mr. Scullin moved a motion reading as follows:—

The Conference, including the Leaders of the Opposition in the Federal Parliament, having most carefully considered the financial position of the Commonwealth and the States, and recognising the national inability to meet existing Government charges, is unanimously of the opinion that to prevent national default in the immediate future and a general failure to meet Government payments, all expenditure, including interest on Government securities and other interest, and that upon governmental salaries and wages, pensions, and other social services, must be substantially reduced.

These measures, drastic as they may appear, are the first essentials to the restoration of prosperity and the re-employment of our workless people.

The necessary sacrifice is due to national inability to pay, and it must, therefore, be shared by all.

The Conference has accordingly provided a conversion plan under which bondholders may make their contribution to the general sacrifice by themselves accepting the lower rate of interest which the existing position makes unavoidable.

The Conference therefore appeals to all sections of the people to recognise the position, and in the interests of the nation to accept the sacrifices which are involved.

A National Appeal Executive, consisting of the Prime Minister, the Leader of the Opposition, and the Chairman of the Commonwealth Bank Board, is appointed by this Conference to direct the conversion campaign.

That resolution was carried, and on the 10th June a Plan was adopted. Accompanying the Plan was a Conference report, which stated—

The Governments of Australia have met in conference to consider what measures are possible to restore solvency and avoid default. The national income was £650,000,000 in 1927-28. It fell to £564,000,000 in 1929-30, and a further fall to £450,000,000 in 1931-32 is estimated. This has reacted on Government finance.

The total deficit of the seven Australian Governments will be £31,000,000 for the present financial year. The Governments are now going behind at the rate of £40,000,000 a year, in spite of reduction of expenditure amounting to £11,000,000 per annum since 1929-30. The deficits have been met hitherto by bank overdraft. The Commonwealth Bank has notified the Governments that the limit to that process has been reached. Early in July, Governments will have insufficient means to meet their obligations.

Unless the drift be stopped, Public Service salaries and wages, pensions, and interest could not be paid in full. Public default would be followed by a partial breakdown in public utilities such as railways, and in private industry and trade. Revenue would come toppling down, and even half-payment might become impossible. With this prospect, everything that can be got from Government economy, from taxation, and from reduction of interest, must be called on to bring the debit balance within manageable limits that can safely and practicably be covered for a time by borrowing.

The Plan referred to was adopted. Its terms are as follows:—

The conference has, therefore, adopted a plan which combines all possible remedies in such a way that the burden falls as equally as possible on every one, and no considerable section of the people is left in a privileged position. This sharing of the burden is necessary to make the load more tolerable; it is still more necessary, because only on this condition will it be possible to get the combined effort required.

The Plan has been adopted by the conference as a whole, each part of which is accepted on the understanding that all the other parts are equally and simultaneously put into operation. It embraces the following measures:—

- (a) A reduction of 20 per cent. in all adjustable Government expenditure, as compared with the year ended 30th June, 1930, including all emoluments, wages, salaries, and pensions paid by the Governments, whether fixed by statute or otherwise, such reduction to be equitably effected;
- (b) Conversion of the internal debts of the Governments on the basis of a 22½ per cent. reduction of interest;
- (c) The securing of additional revenue by taxation, both Commonwealth and State;
- (d) A reduction of bank and Savings Bank rates of interest on deposits and advances;
- (e) Relief in respect of private mortgages.

These proposals require the greatest effort in economy and taxation which the conference considers it safe to attempt. The effect will be still to have a gap of from £13,000,000 to £15,000,000 to be covered for a time by borrowing.

In adopting the proposals, the conference thought that they represented the greatest economy and taxation which it is safe to attempt, and legislation is necessary to bring them about. That is now the duty of the State Parliaments and, in furtherance of it, insofar as this State is concerned, a Bill is necessary to authorise the conversion of our Australian indebtedness, and the issue of Federal bonds in substitution of

State bonds where such exist. Those are the objects of the Bill. The proposal to issue Federal bonds is not a new one because since 1927 all bonds issued have been Federal bonds. Members will see that the Bill is really the schedule embodying the agreement that must be signed by all Governments. The conditions applying to conversion are therein set out. The agreement is put forward under Section 105A of the Commonwealth Constitution, which permits the Commonwealth to make agreements with the States with respect to the public debts of the States. Under it existing securities, totalling £456,000,000, bearing interest at 5½ per cent. are to be converted into 4 per cent. at a premium; existing securities totalling £45,000,000, at 5 per cent. to 3½ per cent. at par, and existing securities totalling £61,000,000 at less than 5 per cent. with 3 per cent. at a premium or with 4 per cent. stock at a discount.

The agreement provides that the interest on new securities is to be freed of the present Federal super tax of 7½ per cent., and free of any further taxation by the State or Commonwealth. Also, holders of tax-free securities are to be invited to convert into new securities subject to a general reduction of 22½ per cent., the new securities to be tax-free only until the existing maturity date. Otherwise the conditions will be the same as apply to ordinary loans.

Treasury bills, which are short-term securities and have been issued to meet the deficits of all Governments, will be subject to a reduction of interest to 4 per cent. They are held largely by the Associated banks and the Commonwealth Bank, and it is proposed to submit them to actuarial adjustment. There is no denying the fact that a reduction in the rate of interest will mean considerable sacrifice, especially on the part of thousands of small bondholders. It is thought that about 200,000 people hold our securities and that many of them are comparatively poor. About £291,000,000 has been loaned by big companies, banks, insurance companies, and similar organisations and it can all be traced. On the other hand many of the bonds are bearer bonds which can be transferred without registration.

There will be similar reductions in all branches of governmental expenditure, and inconvenience will be suffered by everyone until prosperity comes again. The following

table shows how borrowing for legitimate loan expenditure eased, or was considerably reduced, and how with that reduction deficits increased, since the Financial Agreement was signed:—

RELATION OF LOAN EXPENDITURE TO DEFICITS.

—	Loan Expenditure.	Deficit.	Total.
	£	£	£
1927-28 ...	13,723,000	3,850,000	17,573,000
1928-29 ...	10,007,000	3,503,000	13,510,000
1929-30 ...	27,805,000	11,126,000	38,931,000
1930-31 (estimate)	15,000,000	31,150,000	46,150,000
	126,535,000	40,721,000	
Total, Commonwealth and State Deficits Included			176,256,000

Hon. Sir Edward Wittenoom: They are not very good financiers, are they?

The MINISTER FOR COUNTRY WATER SUPPLIES: That sum of £176,256,000 has been added to the national indebtedness, notwithstanding that all of it has not been spent in the way that loan money is usually spent. A great deal of it has gone to meet deficits.

Hon. J. Nicholson: That is where the weakness comes in.

The MINISTER FOR COUNTRY WATER SUPPLIES: The relationship of the loan expenditure to the deficits is made very clear by the figures. It will be seen that where the loan expenditure was reduced, the deficit went up. In each year Australia has borrowed practically the same amount of money, with the difference that it has got a great deal for the expenditure of loan money borrowed for loan works, whereas it has little to show in permanent assets for the deficits.

The national income decreased over the four years referred to by £165,000,000; the loan indebtedness increased by £176,256,000, and the national debt charges increased by £14,710,000. Those figures show how impossible it is to meet increased charges out of the greatly reduced national income. From our national income, all interest and other charges are eventually paid, because from it must come all taxation and other contributions to revenue.

The position now is that expenditure by Governments on revenue account next year

must be reduced nearly £26,430,000, leaving an amount of approximately £14,650,000, the gap between revenue and expenditure—largely the cost of exchange, estimated at £8,900,000—which will represent the Australian deficits. To achieve a budget position as set out by the conference, it was agreed that a 20 per cent. reduction must be made in all adjustable governmental expenditure—Federal and State—taking the expenditure for the year ended 30th June, 1930, as a basis. That year was taken because some reductions had already been made, while considerable savings have been made since then. Salaries and wages have been reduced—salaries by the salaries tax, and wages by the Arbitration Courts—and the reductions already made are to become a part of the scheme. Throughout Australia revenues are falling, because trade has fallen greatly.

There is an alternative to the scheme propounded by the Premiers—that only the amounts collected by each Government from week to week be paid out, which would mean a reduction of nearly 40 per cent. on wages, salaries, and adjustable expenditure. It is a choice between two evils, the alternative being by far the greater evil.

In the survey of our disastrous circumstances it has been revealed that the interest on all Governments' indebtedness for the year 1930-31 amounts to £60,210,000, and sinking fund to £4,810,000, a total of £65,020,000. That is the debt charge Australia has to face. The loan indebtedness in Australia amounts to £560,000,000, and in London it totals £611,704,000. On the Australian debt the average rate of interest is 5.19 per cent. as against 4.78 per cent. in London. The conversion of the indebtedness in Australia on the basis proposed will reduce the interest payments by 22½ per cent., representing £6,500,000. The interest paid on the indebtedness in Australia amounts to £28,227,000.

Leaving the general Australian aspect and turning to our own affairs, there is little hope for economy except by such drastic means as are now proposed in the Bills before Parliament. Our expenditure can be separated under three heads: for 1930-31 the interest and sinking fund payments amounted to £3,621,601; Governmental, etc., to £3,158,861; and public utilities to £3,326,832. The latter amount is the mere working cost and does not include interest and sinking fund payments on account of the utilities. Interest and sinking fund, of

course, represent a fixed charge, and Governmental expenditure, including exchange and unemployment relief, is not a large amount from which to make economies.

Great economies have already been effected in connection with public utilities, and sheer necessity has brought them about because there has been no money with which to meet shortages between revenue collected and outgoings. Our revenue came from taxation, Federal grants, and other collections, including license fees, and it amounted to £3,953,260. That is the clear revenue from which all shortages, all wages, and all salaries must come unless there is a deficit. It is not a big sum to economise in. Public utilities and trading concerns produced £4,733,496. The £71,000,000 which is invested in public works should earn at least £3,621,601 to pay interest and sinking fund, but the amount actually earned towards the payment of these charges was £2,433,698, or a shortage of £1,187,903 to be made good by taxation. Of course it will readily be understood that in the difficult times such as at present it is impossible for the railways to earn as much as in good times. If trade is not done by the traders and the producers are not making the commodities available, the railways cannot be made to pay, and in fact the fall in revenue is to be seen in almost every Government utility.

The State's position in regard to loan expenditure, again taking a four-year period, is—

	Loan Expenditure.	Deficit.	Total.
	£	£	£
1927-28 ..	4,680,260	26,466	4,706,726
1928-29 ..	4,372,269	275,968	4,648,237
1929-30 ..	3,693,052	518,004	4,211,056
1930-31 ..	1,768,521	1,420,537	3,189,058
	<u>£14,514,102</u>	<u>£2,240,975</u>	<u>£16,755,077</u>

That shows that the State's total borrowings, including the deficit, amounted to £16,755,077 over the four-year period. Again the relationship of loan expenditure to the deficit is made clear by the figures. In our case, the national income has decreased, it is estimated, by £7,000,000. That is a considerable amount when it is remembered that the total national income is usually over £30,000,000. Our debts in Australia which are to be converted, excluding the floating debt, amount to £26,739,232, and

the average rate of interest paid in Australia on our loans is £5 8s. 6d. per cent. That rate is higher than the average rate paid in Australia.

The London loan debt of the State, exclusive of floating debt, is £45,860,375, and the average rate of interest on it is £4 2s. 0d. That is much lower than the average rate paid by Australia in London. Even if the exchange of £30 per cent. is added, the interest is still lower than the interest on Australian money at £5 8s. 6d. per cent. Of course the exchange rate increases the cost of money considerably. However, the interest charges represent £3,395,368, while the sinking fund charges amount to £221,174, making a total of £3,616,542.

Hon. J. Nicholson: That indicates it is better to borrow overseas.

The MINISTER FOR COUNTRY WATER SUPPLIES: Quite so. The reduction of interest will benefit Western Australia, it is estimated, by £350,000. Unfortunately the Treasury will not benefit to that extent, as probably one-half of the saving will be passed on in reduction of interest charges to the Agricultural Bank and other institutions supported by loan funds. At the moment it is impossible to say what that amount will be, because so much of our money has been borrowed in London. However, even £350,000 is a considerable saving, and if the effect of it is that £100,000 is passed on to the Agricultural Bank, it will be much to the advantage of the clients of the Bank.

As previously stated, the rate of interest paid in London is much more favourable than on money borrowed in Australia, and in the figures given it will be noticed that this State's London indebtedness is nearly two-thirds of our total debt. With exchange at £30 5s. per cent. it is costing the State £600,000 per annum to remit interest to London.

Australia has enjoyed a long period of prosperity, partly genuine, due to high prices for her primary products, partly artificial, due to excessive borrowing, in which she has mortgaged her future income, and she has reached the stage of taking unto herself the courage to live within her means of respectability. Our difficulties are temporary, and if we set ourselves resolutely to work on the plan of the Premiers, and in the ways indicated in the series of Bills to

be considered, we shall be acting prudently, and our reward will be a renewal of the faith of others elsewhere who may be able to help us in the near future in the problems before us.

In everything we ought to look to the end and not to the present, and above all, our expenditure in the immediate future must harmonise with our circumstances. The position in this State, although serious, is not so distressing as it is in Eastern Australia and the credit is due to our better politics of recent years. In Western Australia we are in measurable distance of recovery, and it could almost be said that two seasons of fair prices and of exerted production would remove our worries and place our finances in an ordered condition, but unfortunately the State is overshadowed by the more straitened circumstance of the general Australian situation. That is the difficulty, and were it not for the Federal bond our earlier recovery might be possible, which many believe to be within our grasp if the efforts of this Parliament were not restricted to cohesion with the other States.

For many years there has been a careless attitude in some quarters in regard to the employment of the people, but happily our trials have taught all of us how essential it is that all the people should be working and producing wealth. In that regard there is a common view that we are more or less mendicant to the beneficence of the overseas investor. That is quite a wrong view to take of the matter. Australia has always paid the overseas investor, and no one realises more than he does that his business connection—not patriotic—with us has been distinctly profitable to him, and even Britain herself knows full well that a resumption of the former scale of overseas investments is essential to the rehabilitation of British prosperity. The material greatness of Australia is recognised by all overseas investors and so soon as the conditions arising from the revolution of prices are adjusted, the desire to invest in Australia will be renewed, and when that confidence is restored by the measures proposed, trade will become active, money will be available to help primary producers and to mete out reproductive work to the people. The overseas investor has never yet loaned money, in the charitable sense, to Australia. With him the intercourse has always been a sound-headed busi-

ness proposition and there should be no desire in Australia that it should be otherwise. I move—

That the Bill be now read a second time.

On motion by Hon. J. M. Drew, debate adjourned.

MOTION—BUDGET ECONOMIES.

Debate resumed from the 8th July on the following motion by Hon. Sir Edward Wittenoom:—

That in the opinion of this House steps should be taken to suggest to the Treasurer economies that may be made to assist in balancing the Budget for 1931-32.

HON. W. J. MANN (South-West) [5.12]: A number of members who have preceded me have lost sight of the object aimed at by Sir Edward Wittenoom. The motion, as I see it, is a perfectly legitimate one and is conceived in a desire to assist the Government in their somewhat difficult task to balance the Budget, or to get somewhere within a reasonable distance of doing so. I do not believe the Government will object to some helpful suggestions, or what members consider to be helpful suggestions, since the Government do not lay claim to possessing the whole of the wisdom of Parliament. For that reason it is quite fitting that members should offer suggestions that they think may prove of advantage. Although I am going to disagree with some of the proposals advanced by Sir Edward Wittenoom, I congratulate him on the spirit that animated him when he brought the motion forward, and I hope he will not be offended at anything I shall say regarding those proposals. I trust that he will extend to me the same consideration regarding one or two suggestions I intend to make, although perhaps one of them may appear not very popular.

Hon. Sir Edward Wittenoom: All I wanted to was to do away with the deficit of a million and a-half.

Hon. W. J. MANN: I cannot for a moment subscribe to the hon. member's idea regarding the suspension of secondary education. I cordially agree with anything that has been said regarding the necessity for maintaining the standard of education in the State. To me it is essential for the progress and advancement of Australia as

a nation that the highest possible level shall be maintained with regard to education.

Hon. Sir Edward Wittenoom: Where are we to get the money from?

Hon. W. J. MANN: We have got it in the past and this, I consider, is a national obligation for which the money should be provided, the same as it will be for other necessities of a like nature. Sir Edward contends that those who desire secondary education for their children should pay for it. Such a suggestion, coming at a time like this, is rather unfortunate; because the very people making the most use of the educational facilities provided by the State are those who, at such a time, can least afford to send their children to private secondary schools. There are to-day many men with reduced incomes; men with families, and some of them with no incomes at all, while all of them have increased taxation to pay, increased calls upon their benevolence. To suggest that those people should send their children to private secondary schools is not a reasonable proposition. Sir Edward stated that for 15s. a week boys could be sent to any one of five excellent secondary schools. No one doubts the excellence of those institutions, but I ask the hon. member if he is not unwittingly seeking to place the burden on the parents of country children? To send a boy from the country to the city means an expenditure for travelling, board and incidentals of at least 30s. per week which, together with the school fees of 15s. per week, means £2 5s. per week. And the position becomes very much aggravated when a man has two or three children to whom he wishes to afford a reasonable measure of education. So one could not for a moment support Sir Edward's suggestion that State secondary schools be abolished. It is possible there may be in our State secondary school system some avenues in which permissible economy might be effected. I am not in a position to speak more definitely in that regard, but I do feel sure that the Government and the Education Department, knowing the present position, will see to it that every one of those avenues is properly investigated and that any saving that can possibly be made will be made. I suggest to Sir Edward that the masters and teachers of the State secondary schools constitute a very highly trained and efficient body of men and women, and that we can truthfully

say they are specialists in education. From my own experience I do not know that the same can be said of all the tutors in the private secondary schools. I have had experience of two such schools and of one State secondary school, and I say without hesitation that if I had any more children to educate I would send them to the State schools, at all events in the present conditions; because no teacher is permitted to enter a State secondary school unless he or she is thoroughly proved and efficient in all modern methods of teaching. No doubt other members having had somewhat similar experience will agree that the State secondary education system is one of which we may be justly proud and one that we should see to it is not interfered with in any way.

Hon. Sir Edward Wittenoom: So long as you can get the money for their maintenance.

Hon. W. J. MANN: As for the University, there may be some ground for desiring a modification of the State grant.

Hon. H. J. Yelland: Do you know why the University are not charging fees?

Hon. W. J. MANN: I understand it is because it would be against the law of the country.

Hon. H. J. Yelland: A proposal that fees should be charged was made, but was rejected in another place.

Hon. Sir Edward Wittenoom: The condition was that once we gave them monetary assistance they would not be allowed to charge fees.

Hon. W. J. MANN: I recognise in the University a very desirable institution. But the provision for a free institution. I contend, does not apply with the same force as it does in secondary schools. The expenditure of that very magnificent bequest by the late Sir Winthrop Hackett has undoubtedly added to the outward evidence of culture in this capital city, but I believe it might have been wiser to have proceeded with some less ambitious scheme of building, for the present at any rate, and to have made some endeavour to have the conditions of that bequest varied, so that the interest from some of the capital might be applied to the maintenance of the University. I understand that that may still be done. If it can be done, that is one way in which the University might overcome some of their difficulties.

Hon. Sir Edward Wittenoom: It could easily be done by application to the court.

Hon. W. J. MANN: If so, that would provide a measure of relief to the State and enable the University to carry on their wonderfully fine work. Sir Edward says he realises and appreciates all the advantages, individual and collective, of education, and I believe he does. So, since other members have dealt with the benefits that accrue to the individual and the nation from education, I will leave that phase of Sir Edward's remarks at this juncture. I am not going all the way with Sir Edward in his suggestion to abolish the Arbitration Court, or not until some workable substitute is provided in its stead. It is true that industrial arbitration has been not only burdensome and expensive, but not nearly as efficient as it might be. I believe the Legislature might well explore the possibilities of a simpler and less costly system that would benefit the State and the individual alike. I agree with Sir Edward that at the first convenient occasion the Government should rid themselves of the State trading concerns. Though the Government in doing this might have to cut losses in a drastic manner. At all events the disposal of those concerns represents one of the ways in which the expenditure of money that, possibly, has been thrown away year after year, could be prevented and the State benefited thereby.

Hon. J. Nicholson: At the very worst the annual loss of interest would be saved in the sale price.

Hon. W. J. MANN: I also agree with Sir Edward that we might well endeavour to reduce the cost of "Hansard." This is one regard in which we members can put into practice some of the economies that occasionally we preach to other people. I trust no member will feel offended at my references; I am not pointing to any particular member; in fact, some of the figures I have here really do not apply to this Chamber. I fear some members fail to realise the expense to which they put the country in the reporting of their speeches.

Hon. E. H. Harris: You are not having regard to that now, are you?

Hon. W. J. MANN: A perusal of "Hansard" even for the present session shows that speeches have been made running into 12, 18 and even 20 pages of "Hansard."

Hon. H. J. Yelland: What is the cost per page?

Hon. W. J. MANN: I will inform you. Even the members responsible for those speeches, if they reviewed them a day or

two later would realise that they could have condensed them into, at all events, half the space. I have enjoyed myself for some little time keeping tab on some members and noting just what they are costing the State. I am not going to allow members to see my little list, but I can assure them that if they wish to provide some information for themselves they can do it by checking up the length of their own and other members' speeches.

Hon. J. Nicholson: You would not include the Minister's?

Hon. W. J. MANN: No. Since the beginning of the war until 1930 the cost of printing "Hansard" has been steadily rising. When I refer to "Hansard" in this connection I am referring chiefly to the mechanical cost, not to the literary cost. We have a very fine "Hansard" staff, a staff, I make bold to say, equal to any "Hansard" staff in Australia or in any other country.

Hon. J. Nicholson: We can all agree to that.

Hon. W. J. MANN: Having had opportunity to note the value of their work, I can say that many times during long sittings I have marvelled at the accuracy of that work and at the stamina the staff have displayed in recording the debates in this House. The mechanical cost of "Hansard" has been steadily rising. In 1913 it was 4s. 2d. per page, in 1919 it rose to 6s. 9d., in 1925 it was 7s., and in 1930 it rose to 8s. 3d. This year the Government Printer has effected certain economies by which he has brought down the price to 8s., but I am not sure that it will remain at that figure. The Government Printer has to pay at least a 40 per cent. increase in the cost of his raw material. No paper is manufactured in Australia and there is an increase in the cost of about 40 per cent. due to exchange, primage duties and other factors. I understand that the cost per page at present, as I have said, is 8s. A 10-page speech by an hon. member will therefore cost £4, a 15-page speech £6, and a 20-page speech £8.

Hon. H. Stewart: How long does a 10-page speech last?

Hon. W. J. MANN: I have not the information here.

Hon. Sir Edward Wittenoom: Are you speaking of the quality or the length of the speeches?

Hon. W. J. MANN: I am speaking of the cost to the country. In another place recently a Minister moved for leave to intro-

duce a Bill. One private member spoke for two hours or more, and his speech ran into 20 pages, costing £8. Such a thing is quite unnecessary. It boosts up the cost of government, and further than that is giving the people some right to complain of the cost of Parliament. Some members might be rather astonished if I quoted the cost of their aggregate speeches this year.

Hon. E. H. Harris: What is the estimated cost of a 20-page speech?

Hon. W. J. MANN: It is £8 for the printing alone.

Hon. J. Nicholson: That would include the cost of paper?

Hon. W. J. MANN: It covers the whole general mechanical cost of actually producing "Hansard."

Hon. Sir Edward Wittenoom: Irrespective of the man who made the speech?

Hon. W. J. MANN: Irrespective of whether it is worth 18 pence or £18. I thought this House might consider the question of adopting the system of limiting the length of speeches, that is already adopted in the Federal and other Parliaments. Less than three months ago the Standing Orders Committee of the Federal House of Representatives reviewed the system that had been in operation for some time. I will read a few of the recommendations that were made, although these were reviewed subsequently in Committee and the times extended. I have here a copy of the Federal "Hansard" of the 27th April of this year. Amongst other things the Standing Orders Committee recommended as follows:—

Notwithstanding anything contained in these Standing Orders (a) the maximum period for which a member may speak on any subject indicated in this Standing Order and the maximum period for any debate shall not, unless otherwise ordered, exceed the period specified opposite to that subject in the following schedule:—

For the Address-in-reply each member was allotted 35 minutes. On a motion for adjournment to discuss a definite matter of urgent public importance, the mover was given 20 minutes, the Minister first speaking 20 minutes, and any other member 10 minutes. On a motion for the adjournment of the House to close the business of the day each member was given 10 minutes. On a motion of want of confidence, the mover was given 60 minutes, the Minister first speaking, 60 minutes, and any other member 35 minutes. On the second reading of a Bill

the mover was given 60 minutes, the Leader of the Opposition or the member deputed by him to speak first to such a motion was given 60 minutes, and any other member 45 minutes. In the case of debates not otherwise provided for the mover of the motion was given 45 minutes, and each other member 35 minutes.

Hon. Sir Edward Wittenoom: Are those made speeches or read speeches?

Hon. W. J. MANN: I understand that speeches should be delivered and not read.

The DEPUTY PRESIDENT: Order! Standing Order 381 says that no member shall read his speech.

Hon. W. J. MANN: I do not know whether you are ruling that I am reading my speech.

The DEPUTY PRESIDENT: I am not referring to the hon. member, who is quoting from the Federal "Hansard."

Hon. W. J. MANN: In Committee the times were extended in certain instances. In the case of a member in charge of a Bill there is an asterisk indicating that the period is not specified, so that a member in Committee in charge of a Bill might be given unlimited time.

Hon. J. Nicholson: Would you suggest putting the responsibility on the President to keep the times, or would you appoint a special timekeeper?

Hon. W. J. MANN: We might appoint a special timekeeper.

Hon. J. Nicholson: Someone to ring a bell at the end of the time?

Hon. W. J. MANN: Perhaps to ring a gong or do other things which might relieve the monotony of what sometimes may be rather uninteresting speeches.

Hon. Sir Edward Wittenoom: I can understand that Mr. Nicholson is interested in this question.

Hon. W. J. MANN: In Committee members are allowed five minutes.

The DEPUTY PRESIDENT: I would point out to the hon. member that all the suggestions he has made can be put into force at any time by a direction from the House to the Standing Orders Committee. That is as far as this House can go. It cannot direct another place what to do.

Hon. Sir Edward Wittenoom: The hon. member is quite in order. I suggested a limitation of speeches, and I think he is speaking to that point.

The DEPUTY PRESIDENT: I am not in any way correcting or lecturing the hon. member. I am merely pointing out to him that all the forms he has read out can easily be incorporated in our Standing Orders by resolution of the House to the effect that the Standing Orders Committee shall frame Standing Orders accordingly; but we cannot instruct another place to do likewise.

Hon. W. J. MANN: I realise that. The point I wish to make is that the cost of printing "Hansard" might be reduced by the application of the time limit system in operation in the Federal Parliament.

Hon. J. Nicholson: It is a matter well worthy of consideration.

Hon. W. J. MANN: The figures I have quoted were in Committee amended. The time for speeches on the Address-in-reply was extended from 35 to 45 minutes, and other minor alterations were made. It is possible that in certain circumstances there should be an extension of time. The recommendation of the Standing Orders Committee goes on to say—

With the consent of a majority of the House, or of the Committee, to be determined without debate, a member may be allowed to continue his speech for periods not exceeding 15 minutes. (b) A debate on a motion under Standing Order No. 38 to discuss a definite matter of urgent public importance may be continued for a period of two hours.

I quote this to indicate to members that this is one way, without entailing the debates in an unreasonable manner, to effect some reduction in the cost of "Hansard."

Hon. J. Nicholson: I do not think anyone realised the cost was so great.

Hon. E. H. Hall: Is the hon. member prepared to move a motion directing the Standing Orders Committee to take this action?

Hon. W. J. MANN: I may have a suggestion to make at a later date. Another matter I wish to refer to is that a saving might be effected if the sittings of the House were arranged for an earlier hour in the day. I think I am speaking for all country members when I say it is unfair that we should have to arrive in the city on Monday evening, and cool our heels in Perth until 4.30 on the next day. We might reasonably ask the House to sit at 2.30 p.m. I believe that would give Ministers a fair respite for their office work, that the business of the House could be carried on,

and that a saving could be effected, even if a small one, by adopting this suggestion. It would be a move in the right direction, and we would be working in the Chamber during the time when many of us may be forced to get into mischief in other places.

Hon. E. H. Harris: Do you suggest that for this Chamber only?

Hon. W. J. MANN: I am speaking for both Houses.

Hon. J. Nicholson: I think it was tried before, but found impracticable owing to the necessity for Ministers attending meetings of Cabinet.

Hon. W. J. MANN: That would be the only reason that could fairly be advanced against such a proposal.

Hon. G. W. Miles: Members could perhaps be condensing their speeches during those two hours.

Hon. W. J. MANN: City members will agree that the position is not as it should be for country members, and for that reason I put forward the suggestion. There is another matter in which the Government are perhaps more or less impotent, but I think it is our duty to call attention to such things, whether the suggestions can be adopted or not. If hon. members will refer to the Public Accounts for last year and look up the list of pensions, they will see that this State is paying, under the Superannuation Act, pensions to over 400 persons. Many of those pensions are being received by old and deserving ex-servants of the State; but if members go carefully down the list, they will find that some people are receiving substantial pensions which, in my opinion, should never have been granted. There is the case of an ex-Government Analyst who left this State some years ago—comparatively a young man, I happen to know—and who has been drawing ever since a pension of £334 18s. 5d. per annum.

Hon. G. W. Miles: Will not that be reduced under the economy scheme?

Hon. W. J. MANN: It should have been reduced out of sight long ago.

Hon. H. Stewart: Not if it was agreed to.

Hon. W. J. MANN: It should never have been agreed to. However, the Government are more or less impotent in the matter.

Hon. H. Stewart: The Public Service Act was amended only a couple of years ago.

Hon. W. J. MANN: I wish to show how the charge has been steadily rising, even during the last two or three years. For the

year ended 30th June, 1928, the cost under this heading, exclusive of a number of compassionate and other allowances, was £54,714 3s. 4d. For the year ended June, 1929, it had risen to £57,828 14s. 10d. For the last financial year it has risen again to £63,193 5s. 7d. The increase that has been going on is considerable. While I would not be prepared to deprive any ex-public servant, or other State employee under certain conditions, of his pension, and while I would not abrogate the rights of such people in any way, I maintain that the Government should keep an eye on this kind of thing and hold pensions down to the lowest possible limit. I would like to know on what basis some of the pensions have been computed.

Hon. E. H. H. Hall: The Superannuation Act will tell the hon. member that.

Hon. W. J. MANN: There may be quite a number of bases, because one can compute pensions in many different ways. I have another suggestion to offer, and I recognise that it will not be popular in some quarters. With the dual object of raising additional revenue and at the same time making an effort to control betting within this State, I suggest that the Government seriously consider the question of licensing a limited number of starting price bookmakers. Mr. Hall is having a quiet little chuckle, but the way in which betting is now carried on under the very nose of the authorities is nothing less than rank hypocrisy. People are being forced to become criminals. Every week a chain gang of ten or a dozen starting-price bookmakers is taken to the police court and fined anything up to a couple of hundred pounds. I was amused recently to read the remarks of a counsel indignantly asserting that the police were not playing the game, because they brought up some of his clients "out of their turn." Out of their turn! They had been fined a few weeks previously, and the counsel's inference was that the police should go all round the starting price bookmakers before summoning his clients again. Is that the way to carry out the law? I would apply to betting a system similar to that observed in connection with hotels, and license only a limited number of persons of approved repute. I would not have a free and open go, but only a limited number of licensed bookmakers. Perhaps it could be done on a population basis, similarly to the hotels. The main prin-

ciple is that some control should be exercised over these bookmakers. Let them put up bonds to ensure fulfilment of their obligations, let their books be open to the authorities at any time, and let the business be conducted in a proper fashion.

Hon. J. Nicholson: Do you mean a bond like the bond of £5,000 put up by an insurance company?

Hon. W. J. MANN: That could be done. Some little time ago I spoke to a number of bookmakers on this question, and they assured me that they would be quite prepared to put up substantial bonds in return for being permitted to carry on their business openly.

Hon. V. Hamersley: And to make a close combine.

Hon. J. M. Macfarlane: What would you do with regard to those who could not get licenses?

Hon. W. J. MANN: I would fine them, not £5 or £10, but such an amount as would ensure their not coming up again for a long time.

Hon. J. M. Macfarlane: That is done now. Would you put them in gaol?

Hon. W. J. MANN: No. Let them be fined heavily, and the Police Department would be a revenue-earning activity. I shall not detain the House longer; otherwise I shall be accused of costing too much money. Worked out on lineage rates, my speech might not approximate anything like true literary value. While Sir Edward Wittenoom is here, I wish to say that I sympathise with him for the manner in which the public have taken up his suggestions, particularly with regard to education. I do not think Sir Edward really intended to depreciate education in any way. In this connection I desire to read a line or two from a letter which I, in common with other members, have received from the Women's Service Guild of Western Australia—

Your own knowledge and experience will enable you to appreciate our point of view, and we therefore feel we can confidently ask you to register your disapproval of the motion put forward by Sir Edward Wittenoom when put to the vote.

That extract shows that these ladies have a wrong idea of Sir Edward's proposals.

Hon. H. Stewart: But that wrong idea has been fostered by the comments of members.

Hon. W. J. MANN: Members have taken up a wrong attitude. I conclude by saying that, subject to the reservation I have mentioned, I support Sir Edward's motion.

On motion by Hon. V. Hamersley, debate adjourned.

House adjourned at 5.55 p.m.

Legislative Assembly,

Wednesday, 15th July, 1931.

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

QUESTION—WORKERS' COMPENSATION.

Mr. PIESSE asked the Minister for Works: In view of the rejection by the Legislative Council of the Workers' Compensation Bill, does he intend this session to bring in an amendment to the present Act which will substantially relieve the financial burden imposed upon industry, especially in regard to medical and hospital expenses and unfair incidence of employers' liability under the Second Schedule?

The MINISTER FOR WORKS replied: The matter is under consideration.

QUESTION—LAND SETTLEMENT, NORNALUP.

Hon. W. D. JOHNSON asked the Premier: 1, Is it true that the men at the Nornalup Settlement who were in the first and second ballots are allowed to earn £3 a week

and allowed a two-roomed house? 2, Is it true that the men in the last ballot are allowed to earn only £2 10s. and are given only a few sheets of iron for the purpose of building a house? 3, If so, why the discrimination? 4, Is the scheme organised on the basis of employing skilled workers from the settlement to do the necessary work requiring skill? 5, If so, why were three teamsters from outside the scheme recently employed, while teamsters were available from within the settlement? 6, Why were six motor trucks hired when it would have been possible to have used some trucks from within the scheme? 7, Why was the carting contract, Nornalup to the main camp, let to others than the settlers in the scheme? 8, Is it true that the building of cottages was let to an outside carpenter at a cost of £57, when a carpenter within the scheme was prepared to build the cottages at £52? 9, Would it be practicable to organise so that all maintenance work could be carried out by the settlers in sections? 10, Would it not be possible to provide homes on the unsettled blocks in anticipation of settlement?

The MINISTER FOR LANDS (for the Premier) replied: 1, These men were taken from the unemployed, and work was allotted at contract rates. They were allowed to draw up to £3 per week, the balance being put to a suspense account to provide farm requirements from time to time. Galvanised iron was supplied for roofing and walling, timber for flooring, and battens for fastening the roofing iron. 2, Yes. These men have been employed for some time on roads, receiving full rates of pay. They are being treated in a like manner to settlers mentioned above, except that their advances have been restricted to £2 10s. instead of £3 weekly. 3, Answered by Nos. 1 and 2. 4, It is intended that once a man takes permanent possession of his block, he will not be allowed outside work. 5, In order that assistance might be provided for other people in the locality. 6, Answered by No. 5. 7, Tenders were called, and the lowest tender accepted. 8, No. A rough bush carpenter was made available to settlers to advise them, but all the work was done by the settlers themselves. 9, No. It is not proposed that the men shall be allowed to leave their blocks. 10, No. The work must be done by the settlers themselves, including building of the homes.