

asking the Committee if the Minister has leave to amend Clause 1.

Leave to amend Clause 1 agreed to.

Clause 1—Short Title:

The CHIEF SECRETARY: I move an amendment—

That in line 2, after "1937," the following words be added:—"and shall come into operation on a day to be fixed by proclamation."

The object is to fix a definite day as from which the amended Act will become operative.

Amendment put and passed; the clause, as amended, agreed to.

Title—agreed to.

Bill reported with amendments.

House adjourned at 9.38 p.m.

Legislative Assembly,

Thursday, 25th November, 1937.

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

QUESTION—RAILWAYS, SHEEP TRUCKS.

Hon. P. D. FERGUSON asked the Minister for Railways: What were the numbers of sheep trucks belonging to the Railway Department on the following dates:—30th June, 1933; 30th June, 1934; 30th June, 1935; 30th June, 1936, and 30th June, 1937?

The MINISTER FOR RAILWAYS replied: 30th June, 1933 (equivalent of 4-wheel trucks) 466, 30th June, 1934, 505; 30th June, 1935, 505; 30th June, 1936, 511; 30th June, 1937, 516.

BILL—WATER BOARDS ACT AMENDMENT.

Introduced by the Minister for Works, and read a first time.

BILLS (2)—THIRD READING.

- 1, Timber Industry Regulation Act Amendment.
- 2, Hire Purchase Agreements Act Amendment.

Transmitted to the Council.

BILL—CONSTITUTION ACTS AMENDMENT.

Recommittal.

MR. HUGHES (East Perth) [4.35]: I move—

That the Bill be recommitted for the purpose of further considering Clauses 2, 3, and 4, and the Preamble.

The classic speech of the member for Subiaco (Mrs. Cardell-Oliver) seems to have thrown the House into a state of disorder last night, with the result that this Bill was misunderstood. Other adverse features were the lateness of the hour and the fact that some hon. members had not had an opportunity of applying themselves to the measure.

Question put and passed.

In Committee.

Mr. Sleeman in the Chair; Mr. Hughes in charge of the Bill.

Clause 2—Definitions:

The PREMIER: I move—

That progress be reported, and leave asked to sit again.

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

Ayes	21
Noes	19
Majority for ..	2

AYES.

Mr. Collier
Mr. Coverley
Mr. Cross
Mr. Fox
Mr. Hawke
Miss Holman
Mr. Johnson
Mr. Lambert
Mr. Marshall
Mr. Millington
Mr. Munzie

Mr. Needham
Mr. Rodoreda
Mr. F. C. L. Smith
Mr. Styanis
Mr. Tonkin
Mr. Troy
Mr. Willcock
Mr. Wise
Mr. Withers
Mr. Wilson
(Teller.)

NOES.

Mr. Boyle
Mrs. Cardell-Oliver
Mr. Doust
Mr. Ferguson
Mr. Hill
Mr. Hughes
Mr. Keenan
Mr. Latham
Mr. Mann
Mr. McDonald

Mr. North
Mr. Patrick
Mr. Sampson
Mr. Seward
Mr. Shearn
Mr. Stubbs
Mr. Thorn
Mr. Warner
Mr. Doney
(Teller.)

Motion thus passed; progress reported, and leave asked to sit again.

Question "That leave be given to sit again" put, and a division taken with the following result:—

Ayes	24
Noes	19
Majority for ..	5

AYES.

Mr. Boyle
Mrs. Cardell-Oliver
Mr. Doust
Mr. Ferguson
Mr. Fox
Mr. Hill
Mr. Hughes
Mr. Johnson
Mr. Keenan
Mr. Latham
Mr. Mann
Mr. Marshall

Mr. McDonald
Mr. McLarty
Mr. North
Mr. Patrick
Mr. Sampson
Mr. Seward
Mr. Shearn
Mr. Sleeman
Mr. Stubbs
Mr. Thorn
Mr. Warner
Mr. Doney
(Teller.)

NOES.

Mr. Collier
Mr. Coverley
Mr. Cross
Mr. Hawke
Mr. Hegney
Miss Holman
Mr. Lambert
Mr. Millington
Mr. Munzie
Mr. Needham

Mr. Rodoreda
Mr. F. C. L. Smith
Mr. Styanis
Mr. Tonkin
Mr. Troy
Mr. Willcock
Mr. Wise
Mr. Withers
Mr. Wilson
(Teller.)

Question thus passed; leave given to sit again.

BILL—TERMINAL GRAIN ELEVATORS.

Message.

Message from the Lieut.-Governor received and read, recommending appropriation for the purposes of the Bill.

BILL—ELECTRICITY.

Message.

Message from the Lieut.-Governor received and read, recommending appropriation for the purposes of the Bill.

Second Reading.

THE MINISTER FOR WORKS (Hon.

H. Millington—Mt. Hawthorn) [4.45] in moving the second reading said: The object of the Bill is to replace the Electric Lighting Act of 1892 and amendments thereto. The present Act was enacted 45 years ago and it will be agreed that something more modern is now required. When the Act of 1892 was passed the generation and distribution of electricity in this State was more or less in its infancy, and it has been realised for many years that the Act did not give sufficient authority efficiently to control present and future requirements of this important commodity. In recent years a number of fatalities have occurred, a great proportion of which can be attributed to faulty installations. This aspect will tend to become worse as time goes on, if old and perished installations are not reconditioned. Installations to which I refer were installed in the days when direct current was in use in the metropolitan area. The change-over to alternating current has increased the danger from faulty installation. Under the present Act it has been found difficult, if not impossible, to have this state of affairs rectified. Regulations were made under the present Act for the licensing and control of persons engaged in the wiring of electrical installations, and although such licenses have been instrumental in bringing about a certain amount of improvement in the class of workmanship, many loopholes in the regulations were found to exist which have rendered them much less effective than was intended. Another point requiring legislative control is the sale to the public of electrical apparatus and appliances. This question has received the attention of most of the State Governments in the Commonwealth, and the position will arise, if we do not legislate to control the sale of apparatus, of prohibited and condemned articles being dumped in this State for sale. The most important provision of the Bill is the proposal ultimately to achieve uniformity in the numerous generating stations throughout the State. Members will agree that this is very desirable. Apart from the metropoli-

tan area, where the source of supply is the East Perth power house, we have a multiplicity of generating stations distributing on various voltages, some direct current, and some alternating current, and where the latter is distributed there are also various frequencies. The Bill provides a safeguard against this and makes provision for the setting up of an advisory committee which will act as a co-ordinating authority and endeavour, by means of advice given to the Minister, to prevent wasteful duplication of electricity supplies, and to avoid the confusion which arises from multiplicity of systems of supply. It will also provide that no further generating station or major work shall be commenced without the approval of the Minister. In this connection it is mentioned that wherever in the Bill it is provided that the Minister's approval has to be obtained, the Minister will give or refuse his approval after consultation with the advisory committee, but at the same time there is no obligation on the Minister to follow the advice of the advisory committee. All electricity supplies at present being conducted by local authorities, or by concessionaires from local authorities, will come within the scope of this measure. The advisory committee, it is proposed, shall consist of three members, holding prescribed qualifications. Provision is also made for the co-opting of any person or persons whose services may be desirable in connection with any particular matter. It is proposed that the committee's duties shall include the following:—

To consider such matters as may be referred to it by the Minister.

To furnish reports to and advise the Minister thereon.

To devise schemes for co-ordinating (having regard to the efficiency, economy, and future progress of the State) the supply of electricity throughout the State.

To determine the price to be paid for electricity purchased in bulk by one supply authority from another.

To advise and report or recommend any legislation, including regulations appertaining to this Bill, and to perform any other functions of an advisory committee which may be prescribed.

Local authorities, subject to certain conditions, will be permitted to establish and maintain generating stations or to combine with any other local authority in the generation and distribution of electrical energy, or they may grant a sole concession to a concessionaire, upon such terms and conditions as may be agreed upon.

Under the Bill supply authorities will be required to keep all their service apparatus in reasonably good condition, and to maintain a uniform supply of electrical energy. Every State in the Commonwealth has, in recent years, amended its legislation governing the supply and distribution of electricity, with a view to co-ordinating future activities, and in England a very comprehensive scheme of co-ordination is nearing completion. It is essential that this State should make provision for the future.

Mr. North: Do you regard our present voltage as a handicap?

The MINISTER FOR WORKS: There is nothing wrong so far as metropolitan districts are concerned. I will explain that later. The Bill is introduced with a view to controlling the generation and distribution of electricity throughout the State. The aim is to co-ordinate the whole scheme throughout Western Australia. Therefore it is necessary to have legislative control at this stage which will undoubtedly avert unnecessary expenditure in the future. Too much stress cannot be laid on the importance of the distribution of electrical energy throughout the State. Uniform and cheap electrical energy is one of the main factors in the success of industry, and the longer controlling legislation is delayed, the more difficult it will be to achieve. As population increases and industry expands, it will be found possible to link up country centres in their electricity supply and thereby reduce the cost to the consumer and increase the efficiency of supplies. The principal differences proposed to be effected by this legislation in the law as it stands, in addition to the clause I have already referred to, are as follows:—

(a) Making it obligatory on anybody wishing to erect or alter a generating station, to apply to the Minister for his consent.

(b) Enabling the advisory committee to fix the price of bulk supplies when electricity is supplied in bulk by one authority to another.

(c) Providing for a system of metering when bulk supplies are arranged under a linking-up system.

(d) Providing for authorities to combine in relation to the establishment of generating stations, or in relation to the carrying out of distribution works.

(e) Enabling one local authority to trade with another for a supply in bulk and empowering the Minister to arbitrate on or de-

termine the conditions of supply where the local authorities cannot agree.

This latter power is a compulsory one and experience will determine whether it will work effectively. The committee of experts with which I have been consulting with regard to the technical aspects of the Bill are Mr. Taylor of the Government Electricity Department, Mr. Edmondson of the Perth City Council, and Mr. Shaw of the Public Works Department, and this committee considers that it is a necessary provision to obviate a condition which sometimes arises when one local authority, having a sufficient supply, adopts a dog-in-the-manger attitude and will not supply another authority. Again, for the first time by a legislative provision, the supply authority is definitely obliged to declare the pressure and/or frequency of the supply, and constantly to maintain the pressure within the limit of plus or minus 6 per cent. and the frequency within a limit of plus or minus $2\frac{1}{2}$ per cent. of the declared voltage or frequency. Provision is made for regulations which in some cases by their nature will apply to supplies given by local authorities in local authority districts, but they are not necessarily limited in other cases to be districts of local authorities. For example, one clause provides for regulations to be made for the prevention of radio interference and authorises the inspection of premises in any part of the State where radio interference is being caused or is suspected of being caused. In the same clause provision is made for the inspection and testing of apparatus. Regulations may be either general or restricted to the area of some particular local authority or authorities, and except where the context specifically requires it, the regulations will apply generally throughout the State. This Bill partakes less of the character of an electricity measure designed to meet the requirements of local authority districts than does the existing legislation of 1892. Generally speaking, the Bill will have State-wide application, and in that respect provision has been made for the appointment or approval of inspectors by the Minister. Those inspectors will have general power of inspection throughout the State, and a clause makes it clear that their authority extends to all classes of work. However, an inspector would have no power to enter a generating station or to inspect transmission and distribution works unless he had a special

certificate according to the regulations prescribed under the Act. Power is also taken for the making of regulations relating to the examination, qualification and licensing of cinematograph operators who operate plants electrically supplied with a pressure of not less than 100 volts. This provision has been included at the request of various organisations that have urged the necessity for regulations to secure the safety of the public. Regulations may be made prescribing fees to be charged for any services performed or rendered by the committee or any officer or authority pursuant to the measure. The intention is that the measure shall be entirely self-supporting. I ask members to bear that in mind. Although we shall have an advisory committee and although provision is made for the appointment of inspectors, there will be no charge on revenue.

Hon. P. D. Ferguson: Where will they get their finance?

The MINISTER FOR WORKS: The supply authorities will have to pay, just as under the Machinery Act a sufficient fee is charged to cover the cost of inspection. We do not propose to set up an army of inspectors and incur a lot of additional expense. Fees will be necessary, but they will not be heavy. This Bill is largely of a technical nature and will need careful consideration in Committee. It has been drafted by the highest technical authorities in the State, though I do not suggest they are the only authorities here. However, they have made their services available in an honorary capacity. They have devoted a considerable amount of work to the drafting of the Bill, in comparing it with the existing law and in providing for the co-ordination of electrical supply throughout the State.

Mr. Sampson: Does that mean uniformity of current?

The MINISTER FOR WORKS: Yes; that is the object. When the Bill dealing with the central power station was passing through Parliament, considerable argument ranged around the periodicity that had been decided upon. We have not only in the Perth station, but in the Kalgoorlie and Collie generating stations, plants of 40 cycle periodicity. When the change took place in the metropolitan district there were many generating stations, and people had motors that were not suitable for the new periodicity. Those motors had to be scrapped. Since we have had uniformity in the metropolitan area people have been able confi-

dently to purchase the type of motor required. As far as possible that idea will be extended. If there is to be co-ordination throughout the State, we shall have the advantage of the views of the advisory committee to be set up. When local authorities in country districts propose to instal plants, whether they do the job themselves or whether concessionaires are called in, the work will be undertaken only after the approval of the advisory committee has been secured. I understand that this system has been adopted in the Eastern States and also in the Old Country and that thereby uniformity has been obtained. Electrical supply is becoming important not only in the metropolitan districts, but throughout the State. It is important, not only for lighting, but also for power for industry, so important that no one can tell the part that electrical energy will play. Considering that in 45 years there has been little alteration to the governing Act, the time has arrived when we should come into line with the Eastern States and other progressive countries. For some time I have been in consultation with the committee and also with the Crown Law authorities, and the result is the Bill now before us. The time is probably overdue for the introduction of such a measure. If an installation is not in conformity with the general scheme, scrapping becomes a costly matter. Just as we experienced great difficulty and incurred great expense in the metropolitan area, the same disadvantages would follow in other parts of the State unless this action is taken. The Bill proposes to give the advisory committee power, under a certain formula, to fix the prices to be charged for bulk current. Had such a power been in existence when the big Collie scheme was brought into being, the argument with the neighbouring municipality of Bunbury would have been avoided, as it would have been possible for the committee to step in and fix the price of current according to the formula. The Bunbury Municipal Council set up its own scheme with Diesel power, whereas, had the supply of current been obtained from Collie, Collie coal would have been used.

Hon. P. D. Ferguson: If local authorities can reach an agreement, why should you have an outside body to decide the matter?

The MINISTER FOR WORKS: If they agree, well and good; if not, the committee will step in, but the committee will not needlessly interfere. The Bill provides

power to extend the necessary high tension lines through a given part of a municipality or road board, which at present cannot be done. Everything necessary for the generation of electric current has been provided in the Bill, much of which is highly technical, but we understand the commercial aspect and the need for an up-to-date measure to control this most important activity. There is great need for electricity in this State, and having regard to the fact that a disposition exists to instal plants, this measure will have the effect of properly organising the installation of electrical plants and the generating of electrical energy throughout the State.

Mr. Sampson: Will it apply both to public and company extensions?

The MINISTER FOR WORKS: Yes. Under the Bill, also, apparatus will be standardised. That provision is particularly important.

Mr. Sampson: That is so.

The MINISTER FOR WORKS: Apparatus has been standardised in the Eastern States, and unless we adopt a provision to that end, discards from the Eastern States may be sent here. I noticed recently in the Press that accidents had been caused through lack of standardisation. I take this occasion to pay a tribute to those gentlemen outside the service who have devoted their time to the formulation of the provisions in this measure. They have voluntarily agreed to act in an honorary capacity to advise the Government, realising no doubt the importance of their profession and the need for control of this kind. With their knowledge of electrical installations throughout the State, they say that this measure is necessary.

Mr. Stubbs: They did not have that knowledge when the proposal to include Bunbury in the Collie scheme was rejected.

The MINISTER FOR WORKS: Nobody had the power to step in at that time.

Mr. Stubbs: Could not that power have been obtained before now?

The MINISTER FOR WORKS: Before it could be obtained, the mischief had been done. There was a difference of opinion with the Bunbury municipality, which would have been a very fine customer for the Collie scheme, but unfortunately there was nobody to step in at the time and arbitrate.

Hon. C. G. Latham: I suppose you do not intend to interfere with existing contracts?

The MINISTER FOR WORKS: No. The Bill merely provides for the future. Those

desiring to instal plants will have the benefit of the best advice available in the State. Doubtless many people and authorities who in recent years have purchased electrical generating plants would have been glad of the opportunity to secure the benefit of the advice and knowledge that the advisory committee could have given them. Because it was not in existence, in many instances, the wrong plant was installed. Apart from that, it must be agreed that a committee of this description will be possessed of the latest advice, and will constitute the best authority in Western Australia to guide local governing bodies when installing electric plants. I move—

That the Bill be read a second time.

On motion by Mr. North, debate adjourned.

BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.

Returned from the Council with amendments.

LOAN ESTIMATES, 1937-38.

In Committee of Supply.

Resumed from the 16th November; Mr. Sleeman in the Chair.

Vote—Departmental, £102,655:

HON. C. G. LATHAM (York) [5.17]: I daresay the Committee will be somewhat disappointed that the loan funds are not bigger than they are. There is one thing in favour of the Government, namely, that money is evidently easier than it has been in recent times. The Government has not had the trouble to raise money that other Governments have had in the last few years. Usually there has been a Loan Council meeting to decide what loans should be placed on the market, but evidently this year that difficulty has been overcome. I do not know whether that is a good sign or a bad sign. Sometimes I think it is a bad sign, inasmuch as if Government stocks are very attractive and people take them up rather than invest their money in other ventures, then things may not be as good as we may think they are.

The Premier: We have got much less this year than in past years.

HON. C. G. LATHAM: For the whole of Australia, yes. Evidently the Commonwealth Bank has accepted the responsibility of underwriting the whole amount, and does not feel worried about it. I presume it was the popularity of the last flotation that gave the institution that encouragement. It is a very wise thing that the Government should take account of its expenditure. Loan funds above everything else require to be carefully watched. The Consolidated Revenue account has increased considerably. A great deal of the expenditure that is usually charged against loan funds should be charged to Consolidated Revenue. There is not the justification to-day that there was two or three years ago for charging against loan funds quite a lot of the expenditure that is now so charged. The million additional taxation must provide some surplus cash. No doubt some of it is required for increased expenditure through additional salaries and wages, but there must be some substantial amount left over after providing for the various needs. I hope the Government will not regard this merely as governmental expenditure that might ordinarily be charged against revenue, but that it will use some of this money for public works. I hunted up a paper to-day to find what value Australian stocks are standing at. I noticed that 1948 stocks, at 3½ per cent., were worth £101 5s.

The Premier: With accrued interest.

HON. C. G. LATHAM: Interest will be paid to the 31st December. There is something to be said in favour of the amount of interest attached to the stocks. The 1935 stocks at 4 per cent. are worth £104 10s. That gives me the idea that Government stocks are more attractive than outside investments. In Western Australia it seems to be necessary to do all we can to attract capital. No Government can for long find money to provide employment for the people on the lines along which we are now providing it. The Premier was right when he said in the Budget that this money has to be found to provide employment. We do not now have to provide quite so much money for employment as we had to do two or three years ago. I am pleased to say that unemployment is a diminishing factor, but we are still having to find too much money for it. I do not say we should not find it, for we have to find it at present. There is only one way in which to deal with

the unemployment question, and that is to absorb people permanently in industry. Even the gold mining industry with the high price of gold cannot be regarded as having associated with it the prosperity that marked it two or three years ago. I do not say the goldmining industry is declining, but we are not making the progress we were making. I ask myself the reason for that. There seems to be quite a big opportunity in this State for increasing our mining activities. I admit it is difficult to get new money. I think the shareholders of the companies that were floated in London two or three years ago have had a very disappointing period, and I daresay that is one of the reasons that prevents new money from coming here. Then we have the falling off in our principal primary industries. Unfortunately we have no control over the price of wool. A drought and lower prices ruling in the market for wool, are making a hole in the national income of the country, and we are not getting as much from that source as we did. Whilst wheat is a fair price, the indications are that it is not stable at the present prices. Wheatgrowing has not become quite as attractive as, looking at it on the surface, it ought to be. Anyone who wants a good sound investment cannot do better than go into our agricultural areas. Despite the fact that there are many abandoned properties in the State the proposition is the most attractive we have. Many farms are still available in the hands of the Government. I suppose it would be unwise to open up new agricultural areas at present, but I believe there is quite a good opportunity for investment here. The Government ought to turn its attention to this matter and not only the Government, but all of us, for we are all concerned. Those who are behind Governments, the people, ought to do all they can to excite interest in the agricultural industry. Whatever happens it seems to me we are always able to earn something from agriculture. Consequently it is probably the most attractive proposition we have to offer. I hope whatever the policy of the Government may be it will do all it can to attract capital for the development of agriculture. That way lies the salvation of the country. The increased expenditure from loan funds and the falling off in population are very serious matters. I have given some consideration to them. The decline in our

population is a particularly serious problem, so serious that I think attention should be directed to it.

The Premier: You mean we are not making the progress we should in the matter of population.

Hon. C. G. LATHAM: The population has not declined, but we are not making the steady progress we did a few years ago. During the past six years the population has increased by only 19,872. In 1927 our population increased by 14,664 or 3.74 per cent. but it has declined in the last five years. During the past six years the average annual increase has been less than 1 per cent. That is a very serious matter. The world's average increase is about $2\frac{1}{2}$ per cent.

The Premier: It was that.

Hon. C. G. LATHAM: That is what the records show. In 1927 our natural increase, that is births over deaths, was 5,089, and the migration returns showed an increase of 9,575. By 1932 the net increase of population had fallen to 2,634, or .61 per cent. That was a terrific fall. Unfortunately very little has been done to effect any improvements since then. With the exception of one year there has been a greater number of departures from the State than there have been arrivals. For the years 1932 to 1936 the average annual increase was 3,574, which works out at .81 per cent. During the same period the per capita indebtedness increased by £19 per head, or 10.5 per cent. That is why I have referred to the population. We cannot go on increasing our national debt without proportionately increasing our population. The day must come eventually when it will be impossible for the State to carry the burden. Hand-in-hand with the increased burden so ought we to do our best to increase the population.

Mr. Marshall: Do you know any country that recognises that rule?

Hon. C. G. LATHAM: Every country is turning its attention to it. Germany is doing more than might be expected to increase its population, and Italy is doing the same. There are bonuses for marriages, and for almost everything where there is a tendency to increase the population. The Old Country is also doing its best to encourage an increase in population. There is a natural tendency to increase the population for the purpose of preserving the nation. In this State we probably need not turn our attention so much to that as to spreading the lia-

bility over a greater number of people and making it easier for all. We ought to know that taxation has a tendency to frighten away the investor. Not only does it do that but it leaves very little money for development work. To-day I received a letter from a man in Sydney who is interested in land. I do not know where he got his information, for it certainly is not correct, but he said that New South Wales was a more attractive place for the investor compared with Western Australia because in the former State there was no land tax imposed whereas in this State there is that imposition. If that individual had reversed his references, he would have been more correct. Seeing that he is a man with plenty of capital, one would have thought that he would have investigated the situation more thoroughly than he indicated in his letter. When taxation is increased, there is always a tendency to frighten people with capital away from our midst. Increased borrowing must involve additional taxation, particularly in a State like Western Australia. I think the Premier said that the total State indebtedness represented £92,000,000. Of that amount £4,000,000 only is invested in securities or assets that are fully earning. Probably little more than interest and sinking fund is earned, but nevertheless £4,000,000 is a small amount compared with the total. It is true that the expenditure of that huge amount has in some directions been lost, but indirectly it has resulted in great benefit to the State. Naturally the losses have to be made good somehow, and as a result the taxpayers have to shoulder the additional burden. In consequence of that, it must cause much concern to people who have money to invest. I am anxious that everything possible should be done to encourage the investment of capital here, because that is the only means by which the financial worries of the Government can be lightened. It is common knowledge that in the earlier days—from 1893 to 1902—the population of the State was built up as the result of goldmining. It was during that period that so many people came to Western Australia. A strange feature of the increased gold output that has been experienced latterly is that it has not resulted in a corresponding increase in population. True the population of the gold-

fields has been augmented, but that has been at the expense of other parts of the State. As a matter of fact, there has really been a falling off in the vital statistics, that is to say, in the excess of arrivals over departures, during that later period. We should turn our attention to that phase of our economic life. If the Minister for Mines has some time at his disposal when the session is ended, he might endeavour to find out if it is possible to make the investment of money in goldmining still more attractive to people with funds at their disposal. There must be an immense amount of money available for investment in Australia. For instance, funds are held by foreign companies that cannot afford to transmit that money overseas with exchange rates as high as at present. They might be persuaded to invest that capital within the State. I know that goldmining is speculative, but nevertheless there are still many mines that represent a profitable investment. If we were to turn our attention to building up all our available assets, we should achieve something in the interests of the people as a whole.

Mr. Hegney: Is it possible to increase the population of the agricultural areas?

Hon. C. G. LATHAM: Yes. There has been a big falling off there.

Mr. Hegney: How do you suggest it should be done?

Hon. C. G. LATHAM: The position will adjust itself in time. It is all a question of what we can do to attract population. Obviously there must be further governmental expenditure if we are to take steps in that direction. For instance, we must provide water supplies in the agricultural areas, and the Government should turn its attention to that requirement. I know it is all a matter of how much money is available for big schemes. Agriculture is a permanent industry, and it would be a wise policy to pursue if everything possible were done to provide permanent water supplies in the agricultural areas. Some members of the Committee seem to think that the farmers should provide their own water supplies. It has to be admitted that if the farmers could do that, it would probably represent the cheapest form of insurance they could obtain. Unfortunately we cannot secure such supplies on many of the farms. The Premier represents a constituency in the northern part of the State,

and is probably lucky, because it is possible to secure underground water supplies there.

Mr. Lambert: But at Geraldton they have to condense sea-water in order to provide supplies for the railways.

Hon. C. G. LATHAM: Then there must be a shortage there again.

Mr. Lambert: That has to be done in order that the water may be hauled inland for railway purposes.

The Premier: And, of course, they must get the best water.

Hon. C. G. LATHAM: I know that bore water is highly mineralised, but it is quite good stock water. If a line is drawn south from Carnamah, it will be found that below that point it is difficult to obtain any large quantity of permanent water for agricultural purposes. One day some Government will have to take the matter in hand and, as in the Eastern States, find some permanent water supply. When that is done great wealth will be won from the soil. During the last few years, water supplies have been provided in some parts of the agricultural areas, and that has opened up the country considerably. There are other ways in which we can assist. The day is not far distant when it will be expensive for the Government to find new money for additional works. In any case, the system adopted in the past has served a useful purpose. Due to low prices that have been obtained for commodities, the normal equilibrium has been rather upset, and, while there have been many direct losses, it is quite certain that indirectly we will get all that money back. Every time I go to the South-West, I have to realise we have spent a lot of money there; nevertheless, much new developmental work is in progress without any assistance whatever from the Government. In those circumstances it is obvious that there will be returned to the State the money that has already been spent, and that will assist to build up a greater population. Therefore we must see what can be done to attract people back to the land. We must make it as cheap as possible for them, and we must tackle the problems that are confronting those already on the land, and thus make their situation more acceptable. It is difficult to solve all the problems. For instance, country people visit the city and see all the wonderful advantages available to those who live here. As a result, they are reluctant to return to the humdrum life of the rural parts. It is essential that we should

do everything possible to develop our rural resources and make life in the country attractive. If we could shift half the population of the city outback, it would be of assistance. When we realise that 47 per cent. of the population of the State is to be found in the metropolitan area, and observe the aggregations of population in the inland towns and at our ports, we will appreciate how very few people there are who do the real work and produce the real wealth of the State. Others are working but not producing wealth, as are those who reside in the agricultural areas. Instead of criticising and condemning farmers, members should set themselves out to do everything possible to assist them.

Mr. Marshall: I would like to know who has condemned the farmers.

Hon. C. G. LATHAM: The hon. member has not—during the last three days.

Mr. Marshall: That is most unfair.

Hon. C. G. LATHAM: I have heard him complain of farmers not paying their employees.

Mr. Marshall: You have never heard me make such a statement. That is most unfair of you.

Hon. C. G. LATHAM: I have no desire to be unfair to the member for Murchison (Mr. Marshall), and if he says he has not made that statement, I will accept his word, and withdraw the remark. I know that view has been expressed from the Government cross-benches and, Mr. Chairman, I may be looking at the member who gave expression to that opinion! Destructive criticism is easy to indulge in, but constructive criticism is quite a different matter. Most of the members of the Committee have been, directly or indirectly, associated with farming, and if we could get together in an endeavour to assist, we would not only help ourselves but we would do much to encourage a return to the agricultural areas, which would be the soundest thing we could do. This year we have exported about 250,000 lambs, and this is quite a new industry. It will result in much money being returned to the State, and will provide us with credit overseas enabling us the better to meet our interest bill. I hope we shall be able to continue that industry, and in that direction the provision of water supplies will be essential for stock purposes. It seems remarkable that although some of the agricultural areas have been opened up in the past 28 years, last year, and again

this year, water has had to be railed from the eastern goldfields pipe-line to various areas where it was required. In addition to that, we charge the people water rates and undertake to give them a certain quantity. Despite that, we do not supply that stated quantity because we are unable to do so. Then we make them pay freight on water that is conveyed over the railways, and make them pay double by that means. If we cannot provide the quantity of water that people are entitled to, we should not charge them in that way.

Mr. Rodoreda: But how much of the charges do they pay?

Hon. C. G. LATHAM: I would not mind if that was the only instance. It is immoral for any Government to pursue the course I have indicated. It is wrong to enter into a contract to provide a given quantity of water on the payment of certain rates and then, when it is found impossible to provide that quantity, to impose the additional burden. I can assure the Committee that no farmer will cart water unnecessarily, so I contend the principle underlying the water supply position is wrong.

Mr. Needham: How long has that operated?

Hon. C. G. LATHAM: Only since the present Government took office.

Mr. Needham: That is not so.

Hon. C. G. LATHAM: It would be more correct to say it has operated during the last two years.

Mr. Lambert: They should make some of the people in the metropolitan area cart their own water.

Mr. Raphael: Don't worry about that; you don't pay your water rates.

Hon. C. G. LATHAM: Something should be done to minimise the trouble. If people pay their rates we should not handicap them by making them pay twice.

The Minister for Works: You are assuming that they are paying the full price for the water. You know that capital charges are not levied.

The Premier: There is no interest charged on account of the head works.

Hon. C. G. LATHAM: I know that, but if all the people paid, there would be a substantial profit reaped by the Government.

The Premier: No.

Hon. C. G. LATHAM: One has only to read the Auditor General's report to recognise that fact.

The Minister for Works: But they are not meeting all the interest charges.

Hon. C. G. LATHAM: There will be more and more met, because there will be the capital expenditure of part of the migration money.

The Premier: But you know that we spent £60,000 on the Barbalin scheme. They do not pay much on account of that.

Hon. C. G. LATHAM: Not directly, but indirectly they do. That scheme will result in the production of increased real wealth. That will mean additional traffic for the railways, and will be of advantage in many other ways.

The Minister for Works: You know we are not in business for profit.

Hon. C. G. LATHAM: I would like to have a quiet word with the Minister because, in some respects, I think he is in business for profit.

The Minister for Works: The only profitable part is the metropolitan supply.

Hon. C. G. LATHAM: I know. To my mind, from the farmers' point of view, it is a profitable investment if they can make sure of a water supply at a cost of 6d. an acre. In fact, I believe the charge is a little less than that, either 5d. or 6d. But what I am most anxious about is that we should provide additional supplies so as to increase the stock-carrying capacity of the farming areas.

The Minister for Works: We have provided some valuable country water supplies.

Hon. C. G. LATHAM: Yes, they are very good and I give you credit for that. I believe the Commonwealth Government ought to make available a sum of money to enable the State to purchase sufficient pipes for reticulating our agricultural areas. Those pipes are manufactured in the Eastern States, so that would be providing employment there. The Commonwealth has found a good deal of money for water conservation on the Murray River. There would be some compensation to this State if the Commonwealth Government said, "Very well, we will find you the money for the pipes, because that will provide employment for some other part of Australia." Then, I think, the State Government would be able to find some money for the reticulation.

Mr. Raphael: Why was not this done while you were in power?

Hon. C. G. LATHAM: Because it took six days in which to make the earth. I be-

lieve the State Government could find the money for the labour if the Commonwealth Government would find the money for the pipes. It would be worth while trying. On one occasion when a Federal Minister was over here, I tried to interest him in the matter. Subsequently I received a letter from him in which he said that the Minister for Works had sent him a plan. We are entitled to ask for assistance in securing those pipes, because a great deal of money is being spent on the pipes. We could support the Government in the provision of those pipes, because we cannot do much for our agricultural areas without water.

Mr. Marshall: You can afford to support the Government in every matter.

Hon. C. G. LATHAM: In Victoria the water, or a lot of it, is run in open drains for 150 miles or 200 miles for the purpose of filling dams.

The Premier: I wish we had a Murray River here.

Hon. C. G. LATHAM: You have made a substantial River Murray for the benefit of the city, during the past few years. There has not been much complaint about that, because of course the city must have its water supply. If the money can be found for the construction of the Canning Weir over a number of years, we could probably make a start with another scheme for the agricultural areas. The Government has spent a lot of money in the metropolitan area for the purpose of water supply and sewerage. That is all right, but it takes a lot of money from the people and so they cannot otherwise use that money. I do not blame the Government, but how much better would it be if the people could use the money for the building up of industry, which would bring new money into the country! We must do something in the near future with those repurchased estates, which must come back on our hands in view of the high rents that have to be paid for them.

The Premier: We are revaluing them now.

Hon. C. G. LATHAM: But the process is a very slow one. Some of the capitalisation on those repurchased estates is up to £9 per acre. I know of no farm that can carry so high a capitalisation. Under such a strain the settlers must walk off, and I want to see those settlers receive some encouragement. It should be our first determination to keep on the land the men who are there, after which we should use other blocks for the benefit of

further settlers. Now I wish to say a few words about the Estimates themselves. The estimated expenditure in these Estimates for the year 1937-38 is £2,241,427, or £48,000 greater than last year's actual expenditure of £2,193,117. The Treasurer, when introducing the Estimates, explained that the total loan liability of the State at the end of June last was £92,000,000, representing a per capita indebtedness of £201 15s. Since 1932 the public debt per head of population has steadily increased from £180 to £201. As I have previously stated, an analysis of the State's total loan expenditure shows that only £4,000,000 has been invested in fully reproductive assets, while £77,000,000 has been invested in partially reproductive undertakings, and about £4,000,000 in assets that are totally unproductive. So long as we can keep somewhere near that margin, it is not so bad. Some of the unproductive works that we could very well get rid of include the State Brickworks, the State Quarries, and while I would not altogether advocate the disposal of the State ships, I think it was unwise to add to their number at a time when our finances were in so unsatisfactory a state. The State Brickworks and the State Quarries earned last year only sufficient to meet working expenses, the capital charges, including interest, sinking fund and exchange, having to be met from general revenue. Both the brickworks and the quarries could well be carried on by private enterprise, notwithstanding which the State is making a loss on them every year. I know we cannot give away these undertakings, for there is a fair amount of capital invested in them, but certainly we ought to dispose of them as quickly as we possibly can. I am of opinion that some of our public works should be carried out from Revenue instead of from Loan funds. Very few of our public works are carried out from Revenue. This year it is proposed to spend on building about £62,000. Some of that £62,000 ought to come from Revenue, because a fair amount of it will be providing labour. Moreover, we have been charging against Loan funds works that should have been charged against Revenue. One advantage the Government will have this year, which will materially assist them, is the additional amount of money to come from the Federal Aids Roads Agreement. From that source the Government expect a total of £750,000. We can compliment ourselves upon the very good roads that we have, and this year we

shall have three-quarters of a million to spend on roads and bridges. I think I can say that this State can thank Senator Pearce for the very excellent agreement he made. Senator Pearce was responsible for it.

Mr. Raphael: Is he still Senator Pearce?

Hon. C. G. LATHAM: He can be congratulated upon having had that clause inserted to the effect that the money, instead of being distributed on the basis of population, should be distributed on the basis of two-thirds population and one-third area.

The Premier: Surely we had something to do with that!

Hon. C. G. LATHAM: I do not think your Government were in power at the time.

The Premier: Yes, we were, and it was the late Mr. Alex McCallum who got that clause inserted.

The Minister for Mines: Yes, Mr. McCallum was responsible for it.

Hon. C. G. LATHAM: Mr. Bruce, when Prime Minister, told me that Senator Pearce was responsible for it.

The Premier: Quite wrong.

Hon. C. G. LATHAM: I say it is to his everlasting credit. When one has been to the Eastern States one can appreciate how good our roads really are.

The Premier: We have always given credit for that to the State Minister who negotiated the agreement.

Hon. C. G. LATHAM: This State is the only State, other than New South Wales, to have this agreement. If it be asked, why did not Queensland adopt it, the answer is that Queensland did not have the necessary influence. There has been a considerable falling off in the number of men requiring employment, and I understand it is now proposed to increase the earnings of the relief workers. I am pleased to hear that, because it must be a terrific struggle for a man who, on a small wage, has to maintain two homes. Under the heading of "Water Supply and Sewerage," it is proposed to expend £926,000. Of this amount Metropolitan Water Supply, Sewerage and Drainage Undertakings will absorb £525,000, Goldfields Water Supply £230,000, and Agricultural Water Supply and Drainage £140,000. I should like to have seen that amount of £140,000 considerably increased. At the same time I know that we can only carry on with the money that is available. Immediately the Canning Weir is completed the Government should try to divert the

money that may be remaining to agricultural water supplies.

The Premier: And even before the Canning Weir is finished.

Hon. C. G. LATHAM: Yes, if that be possible. I understand the work is well towards completion now.

The Premier: A fair amount has yet to be spent there.

Hon. C. G. LATHAM: There are not many men employed there just now. The biggest part of the expenditure has taken place and we know that the pipes are being laid in the metropolitan area. And so I am hopeful that the Government will be able to find some money for agricultural water supplies. The Estimates provide for the expenditure of £218,000 in connection with the purchase of the new State vessel. It is pleasing to learn that the programme to overtake belated repairs is now completed. I do not know what it is proposed to put up for next year. I do know that this item "belated repairs" has been very handy to produce each year. I have seen some trucks and have heard some railway engines with rattles that could have received some attention. The Premier knows more about them perhaps than I do, but that is a matter that can be taken up when there is a change of Government the year after next or even earlier.

The Premier: Do not spoil it now.

Hon. C. G. LATHAM: Under the heading of "Development of Agriculture" it is proposed to expend £169,000 or £20,000 less than the Vote of last year. We find that £80,000 of the total will be provided for pine planting and forest regeneration, leaving only £89,000 to be applied for the purpose of assisting agricultural development. There is much to be done in the way of encouraging agriculture and overcoming many difficulties. Every year fresh pests come along and we need the assistance of scientists. I hope the Minister will be able to tell us whether it will be possible for him to avail himself of the money being offered by the C.S.I.R. for the payment of scientists. I have prepared some notes about bulk handling, but as the Minister has now given notice to introduce a Bill, I shall defer those comments until after the Bill has been presented. I did want to have a look at the contents of that Bill and to study it over the week-end. I should like an undertaking from the Premier that he will see to it that the Minister

for Lands does introduce the Bill before the end of the present session. There is a fairly formidable list on our Notice Paper and if the Minister does not exercise a little haste I doubt whether we are ever likely to have anything done at Fremantle. I understand that the board is to be empowered to raise up to £350,000 as authorised by the Loan Council. This sum is not included in the Loan Estimates. Is it correct that the Government will have power to borrow that amount wherever it likes? Has it been stipulated that it has to be borrowed out of the country?

The Premier: No.

Hon. C. G. LATHAM: The sooner that money is borrowed, the better it will be because we are anxious to see that the facilities are provided at the port. I am also anxious to know what progress is being made at the power house. Has the final amount been made available?

The Premier: It should be open in January or February.

Hon. C. G. LATHAM: I hope the Government will not turn its attention entirely to the metropolitan area when current is available for distribution. This is a utility that is needed in many of the districts surrounding the metropolitan area. While I was watching the interests of the member for Swan during his absence I was approached by people from West and South Armadale and Roleystone on this question. There are people in those parts living without many of the conveniences that are associated with life in the city, and it is due to us to study them more than has been done in the past.

The Premier: The industrial aspect is more important from their standpoint.

Hon. C. G. LATHAM: Exactly. They require current for many purposes, pumping water or irrigation. In any case, I am hoping that if current is made available, it will be an added attraction to live in the hills. We should do all we can to induce people to establish homes in the hills because it is so much better for the family life. The Premier has set out his Loan Estimates very clearly. He has told us what he proposes to do with the money it is intended to borrow. I agree it is not solely a question of borrowing money. It is the wise expenditure of it that is important. In this way we can hope to lighten the burden of the people who come here.

The Premier: We are in agreement about that.

Hon. C. G. LATHAM: On the subject of migration, I want to see people with capital coming to this State. I consider there are very good opportunities here for the investment of capital. There are some small items about which I should like to have information, but I think I have said enough to show the Government that we on this side of the House are watching closely the expenditure of loan money.

MR. NORTH (Claremont) [6.9]: It is not much use on these Estimates urging further expenditure because, as has been shown by the speech of the Premier, a great many of the bigger undertakings are nearing completion. Still, there is one subject to which I should like to draw attention and that is the East-West railway. This is a question that cannot of course be dealt with in five minutes, but the Government should enter into negotiations with the Commonwealth to extend the broad gauge to our coast. During the recent election campaign the matter was stressed by all parties and they agreed that the State should take up the matter with the Commonwealth. We know that it would take several years to complete the construction of the line. Many years have elapsed since the original line was built from Perth to Kalgoorlie and there would be some advantage if we made a commencement now with the negotiations. A second matter to which I desire to draw attention is the question of the provision of subways to replace level crossings. This is a very important matter because we are aware of the numerous accidents that have taken place at the level crossings. I have not in mind merely those about Claremont and Cottesloe, but generally in the metropolitan area. A third matter that I strongly support is also important and it is the hastening of the inquiry in respect to country water supplies from the Darling Ranges or elsewhere. This should be given earnest and urgent attention. There is no reason why the member for Katanning should not be known as Big General Watts because of his advocacy of country water supplies. The movement that he initiated by way of a motion in this House last year should lead to a big step forward in the State. Speaking now as a lay member, or non-farmer member of the House, I can say that I have learnt from what has been said by others

the importance of stocking up holdings and not merely depending upon one line of production. I realise that the programme carried out by the Government is a substantial one and that it must have taken many months to prepare. All the same, I trust that during the year it will be possible to give some attention to the questions that I have submitted.

MR. SAMPSON (Swan) [6.14]: Once again I desire to bring under the notice of the Minister the importance of declaring a reserve of jarrah country for fruit-case wood. It has been suggested that such is not necessary. I consider it is necessary because fruit-case wood is most important and it is essential that there should be available, particularly for export, an adequate supply.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. SAMPSON: The reserve to which I have referred is necessary for fruit marketing. If the Government would recognise that need, there would be widespread appreciation. Now as regards water supply in the outer suburban districts, and also electricity supply. I frequently hear the Minister for Lands speak of the needs of farmers, but never of the needs of small farmers. Small farmers are highly important. They provide a bigger population per hundred acres than do other farmers, and it is time that greater consideration was shown to their needs. Back in 1924, when the member for Boulder (Hon. P. Collier) assumed the reins of Government a visit was paid to Parkerville by the Hon. James Cunningham, who in answer to requests promised that water would be provided for residents. It is a case of hope deferred, but even yet we are not entirely unbelieving. It is a fact, however, that back in 1924 that promise was made, and that to-day the position is that a one-inch pipe connects up Parkerville with the main running along York-road. Imagine a one-inch pipe being put in! And that pipe supplies five different consumers. It is a caricature of Government foresight and consideration for the man on the land.

Hon. P. Collier: When I went out I left instructions that the work should be done.

Mr. SAMPSON: I am glad the hon. member did that. It would have been better had he given those instructions 13 years ago. The Minister for Lands, concerned as he is for the man on the land,

appears to be indifferent to this need. The matter is highly important, and from the economic standpoint it would mean that we would have more people living in those districts if reasonable facilities were provided. But no! Request after request is made, until one becomes tired of making the request. One feels ashamed that in a country which should have every claim to progressiveness we continue as at the dawn of creation. It is distressing and discouraging, Mr. Chairman, but it is the result of the neglect of successive Governments, and I particularly blame your Government, by which a promise was made. Why is the work not done? The people concerned have already signed guarantees, and the local authority, the Mundaring Road Board, has promised to make up a portion of any loss, should a loss be sustained.

Hon. P. Collier: The departments have no faith in promises.

Mr. SAMPSON: This was a Ministerial promise.

Hon. P. Collier: I refer to the promise of the road board to make up any loss.

Mr. SAMPSON: Governments do not take promises from road boards. The signatures have already been provided, or are waiting.

Hon. P. Collier: The departments are full of signed promises to pay.

Mr. SAMPSON: The departments are mausoleums of broken promises.

Hon. P. Collier: Go to the Agricultural Bank for promises.

Mr. SAMPSON: The same thing applies, except that no promise has been made, to East Maddington and East Gosnells. Why should these people not be permitted to make a living? Why should not water be available to them? Water is available from the Canning Dam, just as Parkerville is capable of supplying from Mt. Helena. There is no cost of pumping; it is all done by gravitation in each case.

Hon. P. Collier: What is wanting is a persistent member!

Mr. SAMPSON: There is something wanting, but I have not lost faith in the member. Confidence persists, and importunity continues to implore. The Government's policy is a short-sighted policy. Here we have the Minister for Employment—and I might almost say, the Minister for Unemployment, because if these two facilities were provided in different districts—I refer especially to two districts, at the moment, as examples—

there would be less unemployment and a lesser inclination for people to go into the city. There would be greater inclination to remain in the outer districts, and it would be possible to drag some sort of a living from the soil, if these facilities were available.

The Minister for Employment: We will try to get it done.

Mr. SAMPSON: This is a genuine promise.

Hon. P. Collier: Just one more!

Mr. SAMPSON: I have said that employment is increased by giving attention to the reasonable needs of these people, reasonable needs in respect of water and electric current. Here we have the Electricity Department full of enthusiasm, always ready to make an extension, until it comes to the actual work, when unfortunately money is not available and consequently the extension cannot be made. It is most discreditable, and, as I have said on many occasions, most discouraging. This country has achieved a name as a place where canned goods can be dumped. I suppose from the population point of view, a greater quantity of canned goods is used in this country than in any other part of the British Empire, unless perhaps Alaska, which, however, I believe is portion of the United States. We have achieved a name as consumers of canned goods. Why? Because the people here who desire to produce are denied the facilities which would make it possible. Our poultry men are faced with great difficulties because of the absence of those two facilities. Dressed poultry is comparatively unknown in this country. What we do when we want to give ourselves a treat is to buy something in a tin.

Hon. P. Collier: In a bottle!

Mr. SAMPSON: It is a sad commentary that the Government has the power to provide facilities but denies them to the people. Undoubtedly that is a heavy handicap. I am pleased to know that the production of current is increasing, but I am anxious to comment as little as possible on electricity supply. I have been told that if I tell the Government exactly what I think of it, I cannot hope for any extensions to be made. I do not know that that is quite right, because I strive to retain some Christian feeling towards members of the Ministry. Further, I believe that under the new Minister there is some possibility of ex-

tensions being made. If the Minister for Water Supplies would take up that old promise made by Mr. Cunningham and carry it into effect, I should have cause to be extremely grateful. Next I would draw attention to the Metropolitan Markets. There is attached to those markets, as part of the land originally resumed for them, an area which is still in a state of non-use. It is practically in the centre of the metropolitan area, and certainly right in the centre of the Metropolitan Markets area. The time is overdue for putting that land to some use.

Hon. P. Collier: Start a newspaper there!

Mr. SAMPSON: Holding vacant land is an unwise and uneconomic proposition. I realise, of course, that rates are not paid by the Government, and therefore the passage of time can be viewed with equanimity; but that land should be used. Since the Metropolitan Markets were built for the specific purpose of providing marketing conveniences, the profits should be devoted to developing other things in connection with the markets. But what is done? The profits are paid into Consolidated Revenue, and the Government uses them for any purpose it desires.

The Premier: How much profit do you think we get from the markets?

Mr. SAMPSON: I believe the profit has been up to £4,000 a year, though not in every year. However, the money is not used for the purposes for which the markets were provided, and to which such revenue should be devoted. It is simply paid into Consolidated Revenue. I claim that is hardly a fair deal so far as the Metropolitan Markets are concerned. Since money is evidently required, I would urge that the vacant land to which I have made reference be either utilised or sold. I was one of those who received the courtesy of an invitation to travel to Pinjarra by the Diesel coach. A tribute should be paid to the Minister for Railways and the Treasurer for making possible that innovation. In my opinion the Diesel coach is an economically sound proposition, and if it has the effect of stopping the running up and down the country of so much animated junk—I refer to the outer suburban trains—it will be an excellent thing. Unless the timetables of the outer suburban area will stand up in comparison with those of the buses, then in the best in-

terests of all concerned the timetables of the railway lines should be drastically revised.

Mr. Cross: Do you think the people of Roleystone are satisfied with the bus service timetable?

Mr. SAMPSON: You cannot construct a railway to Roleystone because of the grade of about 1 in 8. But the people there would be very happy if they were provided with electric current. They do not want trolley buses and trams and buses, and a zoo and all the rest of it to brighten their lives. Give them electric current, and I promise that the population of Roleystone will increase. What applies to Roleystone applies to most of those outer suburban areas. There is a splendid opportunity for the Government to develop those places. An increasingly large number of people desire to live outside the city, but they have not been given the facilities that are essential to encourage them to live there. I notice a yearning look in the eyes of the Minister for Lands. If he will express the unexpressed to the Premier, I will be very grateful to him. It is something that should be done, and I am sure there would be no regret experienced if it were done. Some time ago an unreported deputation waited on the Minister for Health in regard to a rumoured extension of the abattoirs area. The deputation asked that there should be registered slaughterhouses in the outer suburban districts and that an approved inspector or inspectors should examine and stamp the meat. I appreciate fully the importance of meat being carefully examined. I am not here to advocate, nor would I advocate in any other place, that meat not fit for human consumption should be so used. The deputation asked that an approved qualified inspector should be permitted to examine the meat at the slaughterhouses and brand it, the slaughterhouses to be registered.

Mr. Stubbs: Is not that done now?

Mr. SAMPSON: No. The position is that I fear the rumoured extension of the abattoirs area will be made, and if so there will be widespread suffering. It will mean that the calves and other animals that are killed for human consumption will be destroyed and buried because the alternative to approval by a qualified inspector will be that the animals must be taken on the hoof, either to Midland Junction or Fremantle abattoirs. We recall what happened

two years ago. A few hours before Parliament rose, there was laid on the Table of the House certain regulations whereby carcase meat could no longer be legally brought into Perth for sale. It was provided that such animals would have to be taken on the hoof to the abattoirs at Midland Junction or Fremantle. If this has to be done, the animals in many cases will not be worth the cost involved in transporting them to one of those abattoirs. I would greatly appreciate from the Minister for Agriculture or the Minister for Health or, in their absence, from the Premier, an assurance that no such action is likely to occur subsequent to Parliament rising. It is a serious matter to those small settlers because, if they are deprived of a market for this meat, the few pounds that come their way will be lost to them. The costs are far too great to enable these animals to be taken to one of the established abattoirs, which are at least 20 miles away in either case, and further, I think, with respect to the Midland abattoirs. The matter is one calling for early and serious consideration. If in the different districts there are one or two slaughterhouses, and all meat is examined and branded while the intestines are there—and it must be examined to make sure the meat is good for human consumption—it will mean that those concerned will have a great anxiety removed. I do not think the Minister can reasonably object to this, because the inspector would be a qualified man, and his appointment would necessarily require the approval of the Minister.

The Premier: Will he be paid from loan funds?

Mr. SAMPSON: No, but I notice there is an amount of £21,460 for abattoirs and cold storage, and if the abattoir area is to be increased, I take it that some of that money will be spent in making those extensions. I hope this request by a number of settlers representative of the Armadale-Kelmscott, Murray-Wellington, Gosnells and surrounding districts will receive approval. We have not had a reply and, although I am blessed with a fair amount of faith, I must admit to a little misgiving because of the passage of time and the recollection of what happened a year or two ago.

Mr. Thorn: Most of the butchers want this.

Mr. SAMPSON: People generally would applaud the approval of the request. It would enable fresh meat to be available and, in addition, the meat having been branded, it would be possible to send it to the Perth City Markets without any fear of its being affected by T.B. or any other disease that would render it unfit for human consumption.

Mr. Lambert: What has that to do with the Loan Estimates?

Mr. SAMPSON: I have explained that. If the member for Yilgarn-Coolgardie (Mr. Lambert) desires any further information, I will give him my copy of the Loan Estimates. I would greatly appreciate in the reply of the Premier a promise that no action will be taken that will cause anxiety and loss to the small settlers of those districts. I would not like to have such a thing happen, but bearing in mind what did happen before, there is a lingering feeling of anxiety in my mind.

The Minister for Works: Are you not asking for a mean advantage over the men who bring cattle hundreds of miles?

Mr. SAMPSON: They would bring a truckload, and it would be comparatively cheap for them to do so, but the small dairyman in Roleystone, or West Perth, or Armadale, is not so well placed.

The Premier: He kills half a calf a week, does he?

Mr. SAMPSON: He does not kill very many animals. If the rumoured alteration in respect to the abattoirs area is effected, that calf will never see the markets. The unfortunate animal will die as a result of a knock on the head and will be buried. It would never pay to take that calf to market on the hoof. I hope some brief reference to this projected alteration will be made by the Premier when he replies.

MR. LAMBERT (Yilgarn-Coolgardie) [7.56]: I would not have risen to speak but for listening to the futile and meaningless contribution of the member for Swan (Mr. Sampson) to this debate.

The CHAIRMAN: Order!

Mr. Sampson: You are one of the calves that should be knocked on the head.

Mr. LAMBERT: It always pains me to have to listen to parochially saturated minds that are never likely to cast their vision beyond the Darling Ranges. Moreover, so much of what the hon. member said has been

definitely irrelevant to the Loan Estimates—

The CHAIRMAN: Order! That is a reflection on the Chair.

Mr. LAMBERT: As the Leader of the Opposition has pointed out, a definite policy should be adopted regarding the expenditure of loan money. The undertakings entered upon should be of a lasting nature and of a productive character. I am not bothering my head very much about whether more land will be made available at the City Markets, or whether entrails at the abattoirs are properly disposed of, or whether there is a trickle of water at Roleystone, or whether—

Mr. Sampson: Give us a trickle of commonsense.

Mr. LAMBERT: I would like to give the hon. member a trickle of comfort, but I do not know whether it would last too long. The Leader of the Opposition was quite right in directing attention to the necessity for providing water supplies in the agricultural areas. We have spent some millions of money in the attempt effectively to people the land of this State, and yet to-day nine-tenths of our farmers are without adequate water supplies. It is futile to expect farmers to meet their obligations to the Agricultural Bank or to any other department until we provide them with reasonable water supplies.

Mr. Sampson: That is sensible. You surprise me.

Mr. LAMBERT: I would shrink to a shadow if the hon. member attempted to pay me a compliment. In my district between the first and second rabbit-proof fences a considerable amount of money has been spent, some justifiably some unjustifiably. It would be more helpful if members instead of parochially discussing pettifogging matters under these and the general Estimates cast their eyes beyond the Darling Ranges and visualised the opportunities for the wise expenditure of public money. No loan expenditure in the metropolitan area would be justified unless it were absolutely necessary to carry on the existing services. A fair proportion of the money has been spent in the metropolitan area. Almost daily I am endeavouring to get water supplies for people who are battling hard on the land. The member for Swan instead of talking about Darlington and Roleystone, both within a few miles of Mundaring Weir

and comprising areas largely occupied for residential purposes, should direct his attention to those parts of the State where expenditure on water supplies would stimulate production. In this world of instability the people who give strength of character and capacity to the nation are those who are producing the foodstuffs, not the people concerned about a trickle of water at Roleystone or Darlington. When I think of the people I represent I recall all their disadvantages and disabilities. I hope it will be possible for the Government to undertake a courageous and progressive policy for the good of the State. Considerable sums of money have been sacrificed in the attempt to populate this western third of the continent, but the indirect sacrifices made by other sections are of small moment alongside the direct sacrifices made by the people in the country. By way of indirect taxation through the Customs the people have paid £107,000,000 in five years in the attempt to develop the secondary industries of Australia from which we in Western Australia derive little or no benefit, and yet those industries must always remain secondary to primary production. It is not too much to expect that sooner or later the cultivable lands will prove sufficiently responsive to justify the money that has been expended on them. I appeal to the Minister that a definite policy of water conservation and service must be adopted. We might as well close the Agricultural Bank and allow that institution to evacuate its securities and control over our farm lands unless a policy be formulated to strengthen and encourage the people who are battling on the land. Water supplies for the agricultural areas are no less essential than are water supplies for the gold mining industry. The Government has been generous, and justifiably so, in providing water supplies for the gold mining areas, but it would be more justifiable, and more productive of lasting good, if we provided over a spread of years—it might be called a five-year plan—a definite policy of water conservation and supply for the agricultural areas. If we solve that problem, we shall solve most of the problems linked with land development and land production in this State. In the provision for goldfields and mineral resources there is not much to complain about. I admit that we have been treated fairly well. I should have liked to speak a little on our railways and tramways. If the rising generation have for long to ride in our

present trams, I am afraid the experience will prove nerve-racking, not on account of the speed but on account of the condition of the vehicles and an attendant doubt as to their reaching their destination.

Hon. P. D. Ferguson: They are not that bad.

Mr. LAMBERT: Probably the same may be said of our railways. I listened with interest to the remarks of the Minister for Railways last night in reply to the able and well-considered speech of the member for Pingelly for the appointment of a Royal Commission. The Minister said that to appoint a Royal Commission would be unnecessary and expensive, but I consider that such an inquiry would be beneficial, not with any idea of casting reproach upon the department or the officers but with a view to being helpful. If an inquiry upon those lines were sanctioned, there would be no room for complaint by the Minister, the Commissioner of Railways, or his staff. I repeat the hope that consideration will be given to the need for country water supplies. This point has been raised every year for the last 20 or 21 years to my knowledge, and we are still receiving letters from the same old constituents and the same old promises are being handed out to us, but no definite plan has been adopted. We should get down to something scientific in our policy of loan expenditure, which should be reproductive, but no loan expenditure can be reproductive if we proceed in a haphazard or half-hearted manner without setting a definite goal and marking our progress towards it year by year. No such policy has been adopted by any Government since I have been a member of the House. A good purpose would be served if members forgot parochial needs and concentrated upon the bigger things. They would then inspire Governments to adopt a definite policy. In sanctioning loan expenditure aggregating a considerable sum of money, we would be more likely to progress towards desired goals that are attainable if members generally took a wider view of the State's requirements.

MR. MANN (Beverley) [8.15]: I wish to support the remarks that have been made concerning the water question. Something more than is being done will have to be done in the eastern wheat belt. The water scheme at Narembeen is a costly and something of an idealistic one. After three dry seasons

the 20,000,000-gallon supply there will be dry before Christmas. It will be impossible for the settlers concerned to carry on under such conditions. No man can afford to cart water for stock purposes, because it does not pay to do so, and the stock does not greatly benefit from it. What I should like to see is a second Mundaring scheme to embrace the whole of the eastern area. The Leader of the Opposition raised the question of future work for relief men. This in itself provides a wonderful opportunity for finding work for these men. We know the possibilities of that part of the country. It is possible to grow grain there on a light rainfall, but without water supplies the farmers cannot carry on in those dry areas. I refer particularly to the Narembeen, Bruce Rock and Corrigin areas. I am sorry the Premier has given no indication as to the policy of the Government on the native question. In my electorate there are two large parties of natives. One consists of about 200 near Quairading, and the other party is at Brookton. We are either only playing with the question or are neglecting it as much as we do the starting-price bookmakers. The problem of the coloured race will become an acute one within the next 10 or 15 years. There is no birth control in a native camp and the population is increasing rapidly. The position will have to be faced before long.

Hon. P. D. Ferguson: Send them to Mogumber.

Mr. MANN: I should like to see set aside an area large enough for two farms on which the natives could be trained. The young men could be trained as farm assistants on one property, and the girls could be trained for domestic work on the other property. Many coloured and half-caste girls have been trained as domestics and shape very well. It is the duty of Parliament to provide for the future of these unfortunate people. They are rapidly becoming just beggars, disease-ridden and loafers. They have no incentive to work. Under the new Act farmers are rather doubtful about employing them because of the license fee, and the possibility of having to pay compensation. We have a responsibility to the natives who once held the State in which we live. They are growing rapidly in number. I have sufficient faith in the half-caste to think that we can raise his standard of living and outlook on life. If we allow them to live a sort of slum life, become lazy, and

to take on all the vices possible, we shall have a race of people which, in the next 20 years will number many thousands, and will constitute a menace to the State. We have neglected our responsibilities towards these people. I hope the Premier will try to find a sum of money for the settlement of a large area for them. At present the natives are located on a sand plain patch and every week they come into Quairading. The same thing applies to Brookton. I have already pointed out that the young men would make excellent farm hands, and many of the girls, some of whom are quite white, turn out to be wonderfully good servants. I hope the Premier will take the matter up because provision will have to be made for these people sooner or later.

MR. McLARTY (Murray-Wellington) [8.20]: The requirements of members on these Loan Estimates are many and varied. Some of the requests are more justifiable than others, and I suppose the Premier thinks that some of them are without justification. I favour the idea of the member for West Perth who, on the Address-in-reply, suggested the appointment of a Public Works Committee comprising all parties in the House. He pointed out that such committees had been formed by the Federal Parliament and other Parliaments. We should have some policy concerning the urgency of the works on public works programmes. The people of the districts concerned should know of any likely public works that are to be carried out in the future. It is not satisfactory to have works of this nature sprung upon people. During the depression many public works were hurriedly put into operation. This could not be avoided. Now that we have passed that extremely difficult period, I should like to see a programme of future public works mapped out. Quick decisions have been made concerning many of these works, which have proved very costly as a consequence. I do not know how it is possible to meet with success unless our policy is framed well ahead. Members usually take the opportunity of voicing the requirements of their own districts.

Mr. Hegney: This is the last opportunity.

Mr. McLARTY: Yes. I am convinced that the proposals I am going to put forward to the Premier will be considered to be both urgent and reproductive. In connection with loan works, we are looking for repro-

ductive undertakings. Some months ago I introduced a deputation to the Minister for Employment, who was then acting Minister for Works. We asked for additional water storage in the Harvey district. There was handed to the Minister a most carefully compiled report which gave him all the information he could require. When the weir at Harvey was first erected to provide for irrigation in the district, it was considered that three waterings in a season would be sufficient. We have since learned that it is also the experience of other irrigation districts in Australia—that three waterings are insufficient. The existing reservoir was constructed for the irrigation of 9,300 acres. To-day it is watering only 4,000 acres, and not doing so with any certainty. During the last irrigation season many farmers suffered acutely through a shortage of water. For an irrigation district to be successful it must be assured of a permanent supply of water at all times of the year. When introducing the Estimates the Premier referred to the fact that efforts were being made to locate suitable sites for the storage of water in the Great Southern. That, of course, is a sound policy, and I hope an early start will be made with the work. I also hope that the people of Harvey will not have to wait until it has been decided that the time is opportune to supply water to the Great Southern. Irrigation has proved a success and the money spent upon it has been reproductive. One has only to visit irrigation districts to see the rapid growth of population and the increased production that results from the development of the district. When the deputation waited upon the Minister, settlers from other districts also asked for irrigation facilities, particularly those from Yarloop and Cookernup. I hope the Minister will tell us when it is likely those districts will be given irrigation facilities. If farmers are to operate successfully they must know what the future holds for them. I also wish to refer to the control of some of the streams in the South-West. The Minister is reluctant to interfere with them. There is trouble and ill-feeling already between some of the settlers. Those on the upper reaches of the streams get all the water they require, but those down below suffer. We are told that the only remedy is one of civil action. That is most unsatisfactory. Section 45 of the Irrigation Act gives the Minister power to create an

irrigation district without any obligation to supply water. I would ask him to declare an irrigation area and control the water in the streams. This would not be costly. If some cost were involved I feel sure the settlers would be only too ready to contribute towards it. Drainage in the irrigation areas is not in a satisfactory state. I am afraid the Minister will have to concern himself about it in the near future. I suggest that he appoints a drainage commission to advise him on these particular matters. The commission should consist of an officer of the Public Works Department, one from the Agricultural Department, and a representative of the settlers in the area concerned. The formation of an irrigation commission has proved a success, and I am sure the principle would be equally successful in respect to drainage. The settlers are of opinion that local advice on a matter of this sort will be of considerable benefit. I have a note showing how some of the farmers in the Harvey irrigation area have suffered with respect to the shortage of water. One settler has 262 acres of irrigable land. In 1935-36 he watered 68 acres, and in 1936-37 75 acres. In 1937-38 he applied for 71 acres and he was allotted 33 acres. Another man had a total of 156 acres of irrigable country. In 1935-36 he watered 38 acres, and in 1936-37 43 acres. In 1937-38 he applied for 50 acres, and was cut down to 33 acres. Another man with a total area of 129 irrigable acres, in 1935-36 watered 43 acres, and in 1936-37 40 acres. In 1937-38 he applied for 44 acres, and was allotted 33 acres. In the light of those figures, members can visualise what the loss means to those settlers. I hope that the Premier and the Minister for Country Water Supplies will realise that the shortage of water in the Harvey irrigation area is having a most serious effect. Because of that, I urge the Minister to let us have an early reply in connection with these matters.

MR. CROSS (Canning) [3.32]: The other evening when the Premier introduced the Estimates he made some very pertinent remarks regarding what I consider one of the greatest problems confronting the State. He said it was the policy of the Government to provide homes for the lower-paid workers, particularly for those who could not afford to pay high rentals. Right throughout the State there is a tremendous scarcity of

houses at prices that the poorer people can pay. There are several other features in connection with the problem that have to be considered as well as that of price. For instance, the health of the community and its social and economic stability demand that a certain minimum standard of housing accommodation be provided for all families. Modern housing requires certain minimum amenities in respect of every dwelling. For one thing, there is cross ventilation. In addition to that there are quietness, sunlight, a pleasant outlook from every window, electric light and water facilities.

Mr. Thorn: Build them all on the top of hills!

Mr. CROSS: Adequate space, privacy and children's playgrounds are essential.

Mr. Thorn: What have you been reading now?

Mr. CROSS: Those elements are embodied in the standard of amenities that should be provided in connection with every dwelling erected in this State. I believe that the community cannot afford to permit deterioration of living conditions, because that would be closely attended by discontent and increased charges upon public funds. It is true that private enterprise, with public control respecting town planning and building regulations, can cater quite well for a proportion of the people, but the standard of amenities should not diminish pro rata with the family income. The stage is reached at which private enterprise cannot afford to provide, within the means of the lower income group, the standard of housing accommodation that is necessary for decent living. I believe that the maintenance of that standard constitutes our present housing problem. It is a great responsibility, too. Further, I believe that it is beyond the capacity of private enterprise to solve it. Overseas experience clearly demonstrates that private enterprise all over the world has shown itself powerless to provide adequate housing for the lower paid workers. In my opinion, it is imperative that the solution of the problem be entrusted to an appropriate authority and be treated as a public service, to be carried out in the most economical and efficient manner. The other night the Premier made reference to the tremendous building activity apparent in Great Britain. One of the most arresting features in connection with that tremendous building activity has been that it is characteristic of the progress that

has been made since the days of world depression and business stagnation. The motivating principle underlying the English housing policy—and this is true of all European countries—is the humane desire to see the workers housed in healthful and congenial circumstances. The Premier made reference to England's housing policy of the last few years, and I desire to touch upon that phase briefly. In the Town Planning Act of 1919, drastic action was taken in order to remedy the then prevailing unsatisfactory position in Great Britain. The Government under that legislation undertook to bear heavy losses in order to provide cheap houses for the people. In accordance with the provisions of that Act of 1919, the Government announced its policy of subsidising buildings and assisting by the payment of annual increments of interest and sinking fund charges. Under that legislation, over 170,000 new houses were built at an annual cost to the British Treasury of over £6,500,000 per year.

Mr. North: Did that represent subsidies?

Mr. CROSS: Yes. That money represented an absolute gift in order to provide houses for the lower paid workers. The British Government did more than that. In 1923 it passed the Housing Act and under that legislation made provision enabling it to pay a subsidy towards interest and sinking fund charges in respect of every house built under the Act, and that subsidy represented £6 per annum per house for a period of 20 years. The cost of each house was limited to £550, and the Government also made provision that that amount could be supplemented by contributions from local governing authorities. Under the provisions of the 1923 Act, over 400,000 new houses were built, and that cost the Treasury £2,475,000 per annum. In 1924 it will be recollected that a Labour Government was in power in Great Britain and that Government passed another Housing Act, which provided that the Government should pay an annual subsidy of £9 per house for 40 years and made provision for that amount being supplemented by the local governing authorities. I do not know how many houses were built under that particular Act, but I know the annual cost to the Treasury for 40 years will be £4,230,000. The amount provided by the British Treasury was supplemented to a very large extent by the local governing authorities, and I propose to read some brief

extracts from an official report on "Housing, Slum Clearance and Abatement of Overcrowding in England."

Hon. C. G. Latham: Have you read the Liverpool report?

Mr. CROSS: Yes, and the Manchester report too.

Hon. C. G. Latham: It is not out yet.

Mr. CROSS: If the hon. member comes across, I can show him a copy of the report on my desk.

Mr. Hegney: That calls the bluff of the Leader of the Opposition.

Mr. CROSS: There are very few reports available on housing that I have not secured. The first extract I shall read shows the extent of the assistance rendered by local authorities towards the solution of the housing problem in Great Britain. It reads:—

The total amount of advances and guarantees by local authorities in respect of houses erected between 1919 and March, 1936, was £92,393,486 in respect of 189,676 houses. In addition, there were guarantees by local authorities in respect of 37,124 houses.

The next extract from the report indicates the cost to the British Treasury. It reads:—

The Treasury contributed during the same period approximately £165,000,000 towards the expenses of construction in respect of approximately 1,250,000 houses in England and Wales. The annual contribution by the Treasury in respect of these houses is at present about £14,000,000 per year.

I repeat that that money represents an absolute gift from the British Nation, and is an example of the assistance rendered by the Government in providing houses to enable rents to be fixed within the reach of lower paid workers. I believe that the initial stimulus to the tremendous building activity in Great Britain was on account of the financial aid provided by the British Treasury. It is also clear that it was only made possible on so large a scale by the cheap money policy pursued by the financial authorities. In a few words I should like to summarise the nature and magnitude of Britain's housing policy over the last 20 years. Just after the war there were about 8,000,000 houses in Great Britain. In the 17 years between 1919 and 1936 over 3,000,000 new houses were built, and of those, 1,300,000 were built with financial assistance provided under one or more of the seven housing Acts and their numerous amendments. The remainder were built by private enterprise without any assis-

tance whatever. As a matter of fact, the rate of house construction in Great Britain has been steadily accelerating, and now exceeds 300,000 new houses per annum. Therefore it is true that never before in the history of Great Britain have so many houses been available, cheap houses for the lower-paid section of the community. These activities have not been confined to Great Britain. In Germany during the period 1919 to 1933, 65 per cent. of the housing accomplished was made possible by some form or other of State aid, while at the same time 1,600,000 families were housed by municipal housing schemes on Government loan funds, assisted by housing societies. And during the last few years more than 50 per cent. of all the building in Germany has been done by capital provided by the German State. And they have made money available on specially favourable terms so as to enable rents to be fixed within the reach of the lowest income group in the general community.

Mr. North: You think we are hanging behind Germany?

Mr. CROSS: We are hanging behind the lot of them. The Scandinavian countries long before the war were noted for their effective legislation and their financial assistance to agriculture and urban building. Since 1890 the main cities there have been actively interested in housing schemes.

Hon. C. G. Latham: Is it not marvellous how we can find all these wonderful things in foreign countries?

Mr. CROSS: It is.

Hon. C. G. Latham: But nothing marvellous in Australia.

Mr. CROSS: Because you are not in charge of Australia. Residential flats, as we know them and as developed in some countries, have no place in the housing schemes of the Scandinavian nations, the ideal there being a separate home, with its own yard and garden. During the last few years the City of Perth has developed a system of erecting residential flats. I was asked one day my opinion about residential flats. I said I thought that residential flats were a terrace of houses turned on their sides, and with no backyards, and that sometimes they are erected one on top of another. I venture to say that the residential flats in the City of Perth will in the future become the slums of the city. I have taken opportunity

to go through some of those pill boxes in De Bernales' London Court. So small are some of them that ordinary furniture cannot be got into them. In this State there are all sorts of subterfuges adopted to try to build more than one house on a single block of land. I went to Bunbury on Sunday.

Hon. C. G. Latham: Is that where you spent your week-end?

Mr. CROSS: I went there and back in the day. There are in Bunbury at least two instances of these so-called flats. Two families made application to the local authority for permission to build a second house on a block of land. The application was refused, it being held that the block was too small. But this is the way they got over it: The first house was in Spencer-street, Bunbury. It was a brick house and they built another room alongside it and then split it in two and let it as two houses. The front door is still in its old position and is used by one family while the other family run round to the side door. There was a similar instance in Stirling-street, Bunbury. An application was made to build a second house where a wooden house was already standing. That application was refused, so they cut the wooden house in two after building additional rooms on each side. That sort of thing is going on in Perth, where they are building a system of flats which I say will become the slums of the future. I do not agree with that policy, but I certainly do agree with the ideal obtaining in most European countries that the home must be a separate home and have its own decent yard and a decent garden. In Norway they have financed housing schemes by means of temporary subsidies and permanent loan funds. In five of the largest towns, with a population of about half a million, in a 14-year period, 15,000 out of 16,000 houses erected were constructed by Government finance. Even in Italy, the principle of providing reasonably cheap houses for the lower-paid workers has long been recognised, and that policy is featured by the present regime.

Hon. C. G. Latham: You do not suggest that that is the best for a Government to have.

Mr. CROSS: I say that that is the policy being pursued in all European countries, and that in every European country, without exception, it has for long been recognised

that the provision of cheap and decent houses for the lower-paid workers is a public service, and is essentially a Governmental and municipal function.

Hon. C. G. Latham: We have recognised it on this side of the House, but the Government will not let us have it.

Mr. CROSS: You had an opportunity when you were over here, but you did nothing. In Europe there has been a development in housing from a speculative business to a long-term public investment recognised as an essential public service. Those policies are not confined to Europe. There have been some drastic changes in Australia. A few days ago there was issued a report by the Housing Committee in Melbourne. I do not intend further to refer to that, for the simple reason that the "West Australian" published an extensive report upon it only a few days ago. It shows there is a movement afoot in Victoria to improve the housing conditions of that State. As to New South Wales, I desire to read an extract from a report which will give an indication of what is happening in that State. There they have a housing trust along similar lines to those of our McNess housing trust. I propose to read this extract, in order to show that they are making a serious attempt to provide cheap houses for the poorer sections of the community. It reads as follows:—

The cost of these houses is approximately £250 each, and they are sold to applicants at a weekly rate of 6s., which includes principal and interest at 2 per cent. per annum.

I want members to realise that in every housing scheme in Europe or in our Eastern States, a serious attempt is made to enable them to be let at a low rental and that an extremely low rate of interest is charged, the highest rate paid being 4 per cent. They have in New South Wales a housing committee which has made investigations, and I propose briefly to read their report, because they give reasons why we should have similar activity in this State. The report reads—

We are strongly in favour of treating housing as a national undertaking on the following grades:—

1. The work is of a character which private enterprise cannot undertake even in normal times.

2. The capital cost of construction is spent mainly in labour widely distributed among the many trades and industries interested in buildings.

3. By reason of the very large proportion of expenditure which directly and indirectly employs labour, each new dwelling built saves a substantial sum which would be spent on relief for the various types of workers who would otherwise remain unemployed.

4. The provision of decent housing accommodation for those at present living in overcrowded or slum conditions, probably produces a greater social amelioration than any other form of expenditure of a like amount.

The committee recommends that action be taken to provide houses, and they are going into the preparation of schemes for the amelioration of housing conditions and provision of cheap houses for the people of New South Wales. In Queensland there is a Workers' Homes Board and it seems to me to be much more effective than that in Western Australia. I notice that in Queensland, where the average cost of houses built is £464, the rate of interest is 4 per cent.

Hon. C. G. Latham: Wooden houses there.

Mr. CROSS: Most of them are and there are some very nice houses amongst them. The Queensland board has built no fewer than 6,000 houses during the period of its existence and it is interesting to note that in that State the losses are very small. On page 7 of the Queensland board's report it is set out that the total loss during the 27 years operations was £770. That is a very satisfactory record.

Hon. P. D. Ferguson: Our Workers' Homes Board does not make any losses at all.

Mr. CROSS: In Queensland floods have been responsible for some of the losses.

Hon. C. G. Latham: You have had a very busy time, I can see.

Mr. CROSS: In a letter from Brisbane, in reply to a communication of mine, I am informed that the rate of interest is 4 per cent. per annum. Not only in Queensland and Victoria have the Workers' Homes Boards been active, but in South Australia they have been still more active. In South Australia special legislation has been passed and a serious attempt has been made to provide houses at a price that people can pay. To their credit it can be said that they are setting out their scheme as part of the policy of the State, the scheme being to provide decent and cheap houses. By cheap I mean a price that people can afford to pay. Under the provisions of the Act in that State the Housing Trust was authorised to build dwelling houses of two classes, namely, Group

"A" costing up to £450 each, including the cost of site, fences, sewerage, roads and kerbing where necessary, and complete with lighting and water services, to be financed by the Trust, borrowing money at a rate of interest not exceeding 4 per cent. per annum, and to be let at a weekly rental not exceeding 12s. 6d. The next group is "B" and under this heading the cost of a house is up to £350. This includes the cost of the site, fences, sewerage, roads and kerbing where necessary, and complete with lighting and water services to be financed by money or proceeds of property donated, and to be let at a weekly rental not exceeding 10s. Coming back to Western Australia, I wish to express the opinion that our Workers' Homes Board has failed in what I consider was its original mission.

Hon. P. D. Ferguson: It has been a huge success.

Mr. CROSS: With regard to certain work that it has accomplished, it has been successful to the extent that during the years of its existence and to the 30th June last it has built 1,000 houses. All these houses, however, have been for people who have an income.

Mr. Hegney: What nonsense!

Hon. C. G. Latham: Have you only just wakened up to that?

Mr. CROSS: It is not nonsense. No man can get a worker's home in this State unless he can put up a minimum deposit of £10, and at least £7 5s. 6d. in fees. There are thousands of people in the State who cannot find £10 to put down as deposit and even if they could, they would not be able to meet the weekly or monthly payments necessary under the present system. There are many here among the poorer section of the community who cannot get workers' homes because they cannot find the deposit. Therefore I contend it is the State's job to provide houses for which that section can pay, houses the charges on which will be within their means. I propose to tell the Committee how that can be done, and I assure members that it can be done.

Mr. Mann: Appoint a select committee.

Mr. CROSS: There is no need to appoint a select committee.

Hon. P. D. Ferguson: You are sitting on the wrong bench. You ought to be on the front bench.

Mr. CROSS: I am all right where I am. Those people who are on the basic wage, or below it, cannot afford to pay the rates that are at present demanded, and maintain a family. It is common knowledge that if a worker has to pay more than a certain rent he and his family will have to go without some of the necessities of life. We should tackle this problem seriously. It is the biggest problem we have and we are far behind not only European countries in this respect but a long way behind the activities of the other States. I am going to suggest how we can solve the problem. My proposal is that we extend the powers of the Workers' Homes Board and make it a housing trust. At the present time the Workers' Homes Board has to depend for its capital on the money that can be granted by the Treasurer from Loan Funds. The Treasurer, in turn, depends upon the amount he can obtain from the Loan Council. If we had a housing trust I believe we could easily get permission from the Loan Council to enable the trust to borrow separately or permit people to invest their money at 3 or 4 per cent. I believe there would be many people prepared to invest their money in this way. There certainly would be no losses in connection with the investments. The money so invested would be reproductive and further, the activities of the trust should be subsidised by the State. We subsidise many activities; we have thrown millions away in group settlements and we have wasted money in many directions. Surely the State could find a few thousand pounds a year so that the poorer people might be decently housed. I suggest that the trust, when formed, should have the power to build houses costing between £450 and £500 each. I am going to suggest also that the houses should be sold on long terms and, further, that every house built should be subsidised to the tune of £5 per annum for a period of 40 years. If it is possible in England to subsidise a house to the extent of £9 a year, we should be able to agree to the suggestion I make. This would permit of houses being provided at a price at which poor people would be able to pay. I have had tables prepared to give an indication of what can be done.

WEEKLY TABLE OF REPAYMENTS.

	Interest at 4 per cent.	Term.	Weekly Instal- ment. Principal and Interest.
			s. d.
Capital Cost—£450	25 years	11 0
		30 "	9 11
		35 "	9 3
		40 "	8 9
		45 "	8 4
		Interest at 5 per cent.	
		25 years	12 2
		30 "	11 2
		35 "	10 6
		40 "	10 1
		Interest at 4 per cent.	
		25 years	12 3
		30 "	11 1
		35 "	10 3
		40 "	9 8
		Interest at 5 per cent.	
		25 years	13 6
		30 "	12 5
		35 "	11 8
		40 "	11 2
		45 "	10 9

N.B.—The above total instalments provide for principal and interest only. 2s. 6d. to 3s. a week should be added to cover rates and insurance.

Mr. Hegney: Have you worked it out on a 99 years' basis?

Mr. CROSS: No. Many houses have been bought and in many cases the purchase is not completed though tenants do not fail to meet their weekly payments, which amounts are within their ability to meet. Consequently there is no hardship imposed. I would not be worried if I could never pay for my home. It is not much use attempting to buy a house when people cannot meet the payments, and there are hundreds of people in the metropolitan area that have entered into contracts to buy homes and cannot meet the payments.

Mr. Hegney: Perhaps the interest is too high.

Mr. CROSS: That is the position, and what I propose will solve the problem to some extent. Take a house costing £500 with interest at 4 per cent. There is no reason why the interest should not be less than 4 per cent. If a house were sold to a person on 45 years' terms—and incidentally wooden houses are recognised by the War Service Homes Commission as having a life of 45 years—and it were subsidised to the tune of £5 per annum, it could be sold to the occupant at a rate of 7s. 6d. per week. There are thousands of families in this State that cannot pay more. There are widows and children living on the State who, unfortunately, cannot pay the rents that are demanded from them to-day. If houses were

built under the conditions I have set out—and they would be comfortable homes, too—the housing problem would quickly settle itself. Wooden houses that would cost £500 would be homes of a good design, in fact that value would permit of a variation in the design. I know that in Queensland there are some really beautiful homes and there is no doubt that what has been done in that State can be done in Western Australia. I appeal to the Government to give serious consideration next session to the advisability of introducing legislation to permit what I have suggested to be carried out. It is a humane demand that I make. A tenant who has to pay 7s. 6d. weekly still has rates, insurance and other incidental payments to meet. Thus the cost of a house cannot possibly be less than 10s. per week. I have quite a number of photographs to show what has been happening in Great Britain.

Hon. C. G. Latham: I can show you photographs of what has been done in this State.

Mr. CROSS: This is a work that can be accomplished by the State and I appeal to all members to give serious thought to the problem. Since I have been a member of this Chamber I have come to realise that there are thousands of people who cannot afford to pay for houses that are even decent. There is a great shortage of cheap houses. Numerous houses should be pulled down as a disgrace to our State. I have made many inquiries into the matter and could speak for a couple of hours repeating the knowledge I have obtained not only concerning European countries but also concerning the Eastern States and the work done through the *crédit foncier* system. Western Australia is a long way behind the rest of the world in this respect. That is no credit to us. I do not make these statements in any light spirit. On this subject my weight will be thrown behind the Government and I shall use every bit of influence I possess to bring about a different condition of things here. It is an absolute disgrace that the poorer of our people should be kicked from pillar to post for what in all other countries is regarded as an essential service. We should give our working people houses worth living in. That is what I stand for.

MR. WITHERS (Bunbury) [9.17]: The housing problem having been solved, I shall endeavour to solve something else. All hon. members, I believe, look forward to the

Loan Estimates more than to the Estimates of Revenue and Expenditure. From the Loan Estimates we do anticipate some additional improvement and progress. We invariably examine the loan programme for further developments and further progress. In going through the Loan Estimates I find the allocation fairly comprehensive, affecting the State from the North to the South and from the East to the West. Although the Loan Estimates provide a considerable amount of money to be expended in one's own district in certain directions, one can always find room for additional expenditure in other directions. Personally I am a little disappointed, and claim that I have a right to be somewhat parochial, on this occasion. I refer to the amount of £500 for Bunbury harbour improvements.

Mr. Marshall: Has the harbour silted up again?

Mr. WITHERS: It has not silted up again; it is silted up.

Hon. C. G. Latham: Is that why the Government is selling the dredge?

Mr. WITHERS: The position is more than a nightmare to South-Western residents. Recently a question was asked regarding the sale of the Sir William Matthews. The reply, I am sorry to say, was that the dredge would be sold. I was one who advocated the purchase of the dredge "Sir William Matthews" in the first place. It was lying at Albany, where there is a beautiful harbour in no need of a dredge. Accordingly I put the proposition up to the late Mr. McCallum, and he was good enough to purchase the "Sir William Matthews" from the Federal Government. The dredge was reconditioned at Williamstown and sent to Bunbury. There it did such wonderful work that it was thought to be capable of doing good work at a place called Geraldton. The "Sir William Matthews" went to Geraldton, and Bunbury has never seen the dredge since. Had this dredge been at Bunbury for half the time we had a suction dredge, the position of the harbour would be much better now. Suction dredges do not give the satisfaction required. In every report of the Bunbury Harbour Board that is a contentious feature. The member for Albany (Mr. Hill) mentioned last night that the Bunbury Harbour Board's report was not on the Table of the House. I have had the report for a considerable time. Possibly the part that appeals to me does not appeal to other members. Our trouble to-day is definitely to keep the depth of the harbour to what it

should be, 27ft., and to maintain two deep-water berths down to at least 30ft.

Hon. C. G. Latham: Can you keep the berths deep?

Mr. WITHERS: That depth can be obtained, but it will be an expensive job. I have to-day received from the Under Secretary for Works a copy of a letter addressed by him to the Secretary of the South-West Conference held at Bunbury. That conference includes agriculturists, dairy-farmers, and fruitgrowers. Delegates are drawn from distances up to 100 miles from Bunbury. I may mention that the agitation for the two deep-water berths is coming not only from residents of Bunbury, but from primary producers living far outside the Bunbury zone. The letter reads—

With reference to your letter of the 21st October conveying terms of a resolution carried at the recent Annual South-West Conference, urging the provision of additional and deep-water berths at the Bunbury jetty, I am directed to inform you that whilst the development of the South-West is appreciated, action in the direction requested is precluded by the present shortage of loan funds.

The shortage of loan funds may enter into the consideration, but we appreciate also that out of those loan funds a considerable amount will be applied to relief work. In addition, over £57,000 will be spent during this financial year on bulk-handling silos at Bunbury. It must be borne in mind that the construction of these silos employs quite a number of men, and that when the work is completed the men will be idle. There is ample scope for the extension of the Bunbury breakwater and other harbour works which were closed down early last year, pending a decision as to funds. To justify the assertion that two deep-water berths are required at Bunbury, I will state what happened in connection with Collie coal bunkering. Collie is only 40 miles from Bunbury, and it is necessary that bunkering coal should be sold at the nearest port to the place of production. The coal bunkering trade has again shown an increase, from 4,595 tons in 1936 to 4,801 tons in the year just closed. Twenty-four steamers were bunkered, of which 14 called for bunkers only. The latter steamers represent the important part of the trade, because the other steamers that called for cargoes and also took bunkers would be loading full cargoes. Most of the steamers calling for bunkers only are from overseas, and call at Bunbury fully laden. For these we have

not the necessary deep berths. The Collie people should have an outlet for their product at the nearest port. Similar remarks apply to fruit shipments. During the year two steamers of suitable type were sent into Bunbury to load consignments for Europe, and they lifted a total of 25,971 cases, with a tonnage equivalent of 1,027. The Bunbury Harbour Board, however, reiterates its concern that this trade should continue to pass the port as a result of the absence of facilities, in the first place, to handle refrigerated cargoes, and, secondly, the lack of deep-berthing accommodation for the class of steamer mainly catering for this trade. The board realises that the provision of the former is dependent on the attainment of the latter. The money that will be spent on some relief works will be unproductive. It may be contended that money spent on the Bunbury harbour will not be directly reproductive, but nevertheless it will be returned threefold or fourfold indirectly. It is not as though Bunbury was trying to create a trade. The trade is already there, and Bunbury wishes to keep that trade. Last year's revenue of the Bunbury Harbour Board amounted to £22,510, showing an increase of £720, while the expenditure was £13,503, showing a decrease of £4,199. The main items of expenditure were dredging maintenance £4,794, and jetty and general maintenance £3,771, being met wholly from the revenue of the board. The expenditure on maintenance is enormous. The board's report further states—

Consolidated Revenue: The Act provides that maintenance and operating costs are a first charge on the revenue of the board, and to give full effect to this provision the whole cost of dredging, jetty and other maintenance during the year, together with operating charges, a total of £13,503 was met from revenue. In addition to this, £10,000 was remitted to the Treasury in liquidation of the advance for replacement account. The accomplishment of the foregoing precluded any payment being made to Consolidated Revenue during the year.

The member for Albany (Mr. Hill) recently asked a question concerning the amounts of money paid for interest in respect to the various ports. The reply was that the ports of Geraldton, Albany and Esperance were controlled by the Railway Department, and that it was difficult to arrive at the respective amounts, because they were not segregated. Taking into consideration

that out of a revenue of some £22,000 so much had to be paid away by the Bunbury Harbour Board, is it any wonder that there is no money available for interest or for payment into Consolidated Revenue? With regard to the dredging, that can be overcome by a suggestion that has been put up by one of the engineers, namely, to give the estuary a proper scouring and by a further retaining wall that would not be very costly, to direct the flow of the estuary out to the old boat channel through the present breakwater.

Mr. Hill: Is the other scheme a failure?

Mr. WITHERS: That has not failed because it has already created a beach where it has been erected, which proves that the sand which was coming from the north beach has been retarded. That is not now coming into the harbour, but the siltage from the river is still coming into the harbour, and that is the greatest trouble at the present time. The sand siltage generally is not so hard to contend with, because the sand can be lifted and deposited in the hopper of the dredge. But when matter of a muddy nature comes down the river and is pumped into the dredge on the one side, it runs in the same thickness through the other side. We want a big dredge to do the work so that it can pick up this mixture and retain it.

Mr. Marshall: The specific gravity is too light.

Mr. WITHERS: That has been going on year after year. The department has been informed that the type of dredge is not suitable for the work, and I trust that the department responsible will see that the proper type of dredge is sent there so that the dredging costs may be reduced considerably.

[Mr. Hegney took the Chair.]

MR. MARSHALL (Murchison) [9.32]: As the Leader of the Opposition has pointed out, this is the most important vote members have to consider. As a transfusion of blood would be to an ailing human, so this particular vote is to the life of the community from an industrial and social viewpoint. Without the transfusion of credit of this kind into the activities of the community industries would be stagnant and inoperative. The position of this State is becoming quite pathetic, and most of the time of members is taken up during the debate on the Consolidated Revenue Estimates and the Loan

Estimates in listening to pitiable and deplorable statements of the condition of affairs the departments have to face. Were hon. members to consider the position for a moment they would realise that all the wailings, pleadings, and plausible arguments they advance must of necessity fall upon deaf ears. We do for the public what we would never consider doing in our private lives. We would never be able to carry on in the same fashion as private individuals as we are permitted to carry on as representatives of the public. We perpetually borrow credit as this vote indicates. We go on year in and year out stimulating industry by perpetually borrowing money, and in the main all governments spend such money as wisely as it is possible for them to spend it, having regard to all the anomalies that appear in the expenditure of the money. But what we are actually doing is to build up such a colossal structure of debt which carries with it an ever-increasing burden of interest, that we have come to the stage when every pound spent becomes a terrific burden upon the community. No matter how much members wail and plead and ask and even beg for concessions, it is beyond the capacity of any human being sitting on the Treasury benches to do any better than is being done at the present time. The only complaint I have to utter is that we are imposing a burden upon the community with our eyes wide open, and that we are handing over to posterity a liability that it is utterly impossible to carry, and there is never a word of protest uttered by our representatives at the Loan Council or at Councils of Premiers or at any other particular meeting of leaders of the community. But quietly we are contented to borrow and spend, until we have got to that stage where all governments are at their wits' ends to know where they can find fresh avenues of taxation. That is their only worry. Taxation must of necessity increase. It is no good the Treasurer denying it. It is hypocrisy to say that it will not increase. It could be avoided all right if those to whom we owe this money would give some favourable consideration to the financial position of the country and write off some of our national debt, forego the payment of interest, and drop interest rates. There are many avenues in which they could assist, to give concessions and ease the frightful burden under which we are all

labouring. The member for Subiaco (Mrs. Cardell-Oliver) can wait for milk for school children, and the member for Bunbury (Mr. Withers) can cry out for the silt to be disposed of, and the member for Pingelly (Mr. Seward) can talk about the railway system, but there will be no remedy found for these things until we get down to the basis of the evil, and it is futile for hon. members to waste hours in talking about it, unless we are prepared to be courageous and ask for some reform that will bring about real and true redress, and give actual relief to the people. Until we do that we are wasting our time, and we are hypocrites to pretend we can help the public at all. Look at the deplorable condition in which we find ourselves. Although we are a sovereign State we have given to private people the right to rule the State. The Premier no more rules the State than I do. The measure of his activities and administration is dictated to him by a private monopoly, and if he dares to do one thing that they find displeasing his grant at the Loan Council will be reduced. He knows that. To make sure he does nothing that will meet their disfavour organisations are created slyly but certainly before the public gaze, but the public are unaware of their function. What does the Disabilities Grants Commission do for this State or any other State of the Commonwealth? That Commission is nothing more than a policeman to watch the activities of each State Government. The Treasurer knows that because he is more generous in his gift of the dole to the people on relief, he suffers a reduction in some of the grants that the Federal Government has been giving him. He knows that if he puts people on full-time work he will have the grants cut down. He knows that every move he makes to benefit the unfortunate individuals of this State will meet with the disapproval of the money monopoly. Is it not true that the Treasurer himself, even with this amount, could never guarantee that he would have got it until he could satisfy the money monopoly that he deserved it; and he could only do that by giving way to the tactics of those holding the money. I could waste the time of the Chamber for hours telling the Premier of the deplorable state of the water systems on the Murchison, of the necessity for improving the rolling stock on the railways, and pleading the cause of some of the unfortunate wretches amongst

the unemployed. But what is the use of it? I know the cause of it, for it is here given in figures. It might be interesting for members to know that the Treasurer must find, this coming year, that he must exploit the pockets of the people and drag out of them and thus reduce the people's purchasing power, no less a sum than £4,271,938 for interest payments alone, principally to bondholders abroad.

Mr. North: It is the money we have to send away that hurts.

Mr. MARSHALL: That is so. The exchange paid this year represents £492,000. That is exchange on goods, and payments in monetary form, man-created fictitious requirements. Why the American gangsters, Al Capone and his followers, are mere fools compared to the robbers that are operating under our very eyes. If we look back over the Revenue Estimates and take the whole sum collected by the Treasurer last year in direct taxation, including land tax, income tax, financial emergency tax, hospital tax, stamp duty and probate duty, we find that it amounted to £2,375,000, or about one-half of the total amount we have to pay out in interest annually; and that sum which we have to pay out is, of course, increasing annually. Let me refer to the statement of the Leader of the Opposition, who put forward the old theory that provided we can keep our population in ratio with our borrowings all is well. But I wonder what ratio the Leader of the Opposition would accept as being a fair ratio. Just where should we start, I should like to know. Although this theory has always been advanced in this House as representing a fairly logical basis on which the Government can borrow money, I find that it does not matter what the population may be, or where we may go, the same deplorable circumstances are obtaining everywhere. All the various countries are heavily in debt and are reaching that stage where it will not be possible for their people to continue paying the taxes they are paying to-day.

Mr. North: Yet the people keep voting for the system all the time.

Mr. MARSHALL: Because the people are misled.

Mr. North: But we represent the people.

Mr. MARSHALL: We do not, we represent policies that we ourselves help to formulate, and in which the people themselves have no say. Invariably at every political

election the main issue is sidetracked by some popular catch cry. Let me return to the statement by the Leader of the Opposition regarding the population and the per capita debt. I have gone back over the last 10 years and I find that at the end of June, 1927, our population was 392,114 persons, and that by the same date in 1936 it had increased to 450,243 persons, or an increase of 14.8 per cent. Now at the end of June, 1927, the public debt amounted to £61,849,239, while at the end of June in 1937 it had reached the sum of £89,774,871, or an increase of 45.1 per cent. So if there is anything at all in what the Leader of the Opposition put forward, we find that while we have had an increase of 14.8 per cent. in population, the increase in our public debt over the same period amounted to 45.1 per cent. It is of no use members arguing about constitutions or laws; there is no law that can be said to be just, and no constitution that we can bow to which will tolerate starving thousands of people, and which will see the deplorable spectacle of men who once fought for their country stalking the streets now in search of a meal. It is of no use talking about constitutions when we have such deplorable spectacles in our midst. The "Daily News," in a recent issue asked the question "How many under-nourished children there are in the State?" and supplied the answer as being "One in every four." In a sunny land such as Western Australia one innocent little mite in every four is under-nourished and practically starving. And examinations for physical fitness of the adults show that about 45 per cent. of them are below military standard. What a deplorable state of affairs. I ask the Premier, is this country poor? Cannot we produce all we require in the way of foodstuffs? Is there any shortage of milk, butter, cheese, eggs, wheat, wool, bricks, mortar, or timber? If not, why are not our people fed and housed?

Mr. North: There are plenty of taxes.

Mr. MARSHALL: That is the point. The Governments of the Commonwealth and the States have become mere hands of tax-gatherers for bond-holders. The amount of money governments have to spend is so limited that all they can do is to apportion it to the most urgent and necessitous requirements, but they are not worried about that. What they are worried about is whether they will be able to rob the public

of sufficient money with which to meet the interest bill. Modern writers well recognise that gold has become a fetish and as a medium of exchange, is quite wrong. If we were awake to facts, we would recognise that. Designedly or otherwise the leaders of this nation have not desired to recognise it, and they continue to argue about the shortage of money. Did man make money in order to enslave and impoverish himself? Is money a natural creation, or was it designed to expedite the exchange of goods? I suggest that money was made to serve man and not to enslave him. But we have allowed certain individuals to gain control of the medium of exchange, and illegally to manufacture and issue it, and there has been no protest from those in authority. So the country is enslaved and impoverished. It is all right for us. We get three good meals a day and have a bed and enjoy at least a modicum of comfort. There are thousands of men, women and children who do not enjoy those comforts. If the Premier and those associated with him cared to expose the existing state of affairs, the medium of exchange could be equated to the production of the country. The measure of our monetary and credit issue should be the possibility of producing what is necessary to satisfy the requirements of the people. That alone should be the measure of the amount of money issued, and that money should be issued for national purposes, debt free. Imagine the hypocrisy of our procedure. We borrow from a private individual, or a gang of private individuals. What do we borrow? Nothing but credit—book entries. Those credits or book entries are based on the possible production of the country, and on the services and labours of the people. Then we ask posterity to take the responsibility of re-paying something we have never borrowed and something that those individuals have never loaned, except by means of an entry in a book. Imagine the staggering dimensions of our indebtedness! One cannot appreciate it unless one collates the figures. Fancy borrowing something that does not belong to the individual, something that he has taken for himself! Sovereign powers have challenged the individual, but have not had the courage to take back for the State that which the individual has slyly taken from the State. A big fight will be necessary before it is won

back for the use of the people. It is recorded that one President of the United States of America died in the attempt to win back sovereignty for the State. I feel sure that King Edward VIII. was dethroned for the same reason. Some day, when the secret chambers of the Empire are exposed, it will probably be found that money power was behind the dethronement of King Edward VIII. Consider the following figures of Commonwealth indebtedness—

		£
1860	12,000,000
1870	25,000,000
1880	50,000,000
1890	155,000,000
1900	197,000,000
1910	258,000,000
1920	778,000,000
1930	1,115,000,000
1934	1,200,000,000

The total in 1934 represented £1,500,000,000 in Australian currency. The bulk of that money has been spent on national institutions and national requirements, such as railways, works, water supplies, tramways, education and the numerous other activities in which the Government plays a part. Although we have borrowed the public's credit and utilised it for public purposes, we are now obliged to hand on to posterity the obligation of repaying that credit, plus interest. Within the next six years Western Australia, in conjunction with the other States and the Commonwealth, will have to repay no less a sum than £279,000,000. I ask the Premier, "How can we repay that huge amount?" It simply cannot be repaid; there is insufficient legal tender in existence to repay it. The amount of legal currency in the Commonwealth is only £55,000,000; yet we have to find £279,000,000 within the next six years. What will happen is that, as the loans mature, they will be converted and the burden will be handed on to posterity, thus permanently impoverishing our people.

Mr. Thorn drew attention to the state of the Committee.

[Mr. Speaker resumed the Chair.]

Bells rung and a quorum formed.

Committee resumed.

Mr. MARSHALL: There is not sufficient real money in existence with which to pay back these loans. They will be converted

into other loans and handed on to posterity for payment. The Leader of the Opposition told a deplorable tale about the farmer, who is only in the same position as are other individuals. Ninety per cent. of the farms are owned by banks controlled by private individuals, who monopolise the issue and control of credit. Until the Leader of the Opposition joins with those who are prepared to make an attack upon the principle, the farmers will never be relieved. The circumstances of the farmers are deplorable. They produce most of the foodstuffs required in the country, and yet they themselves are hungry and impoverished in every other regard, a matter which gives me great concern. What does it matter which Government has done this or that? Can we not produce all that our people require? If we can, why are we not doing so? If the purchasing power is so low that this cannot be done, we should set about rectifying the evil, and seeing that all are provided with sufficient purchasing power so that they can buy the commodities required. When we reach that stage we shall have little necessity to complain about the deplorable conditions of the farmer. The farmers need not expect redress from representatives in this Chamber any more than the Labour class can expect redress from their representatives. We cannot give it to them.

Mr. North: People who expressed your views recently lost their deposits.

Mr. MARSHALL: I wish to quote from a publication by Professor Soddy, entitled "Wealth, Virtual Wealth and Debt."

Mr. Hughes: He is a chemist, is he?

Hon. C. G. Latham: No; a veterinary surgeon.

Mr. MARSHALL: A statement like that from the Leader of the Opposition would come as a compliment with reference to a writer of this character.

Hon. C. G. Latham: He can be a writer too.

Mr. MARSHALL: I thought the hon. member was being offensive. The works of this professor are standard. Many other capable writers such as Cassel, Douglas and others agree with him.

The Minister for Employment: Of course the interjection was made offensively.

Hon. C. G. Latham: You are sure to pour a little oil on the fire.

Mr. Marshall: I will make it every time I deem it advisable.

The Premier: Tell us what you would do. What you have said is not practicable. I have given more consideration to the matter than you have.

Mr. MARSHALL: I heard the Premier, when introducing the Estimates, say, "We are in a state of unprecedented prosperity. We shall have more wheat and more wool; and with the rearmament programme Britain will be able to buy our products."

The Premier: That is not a correct quotation. I corrected you before about that.

Mr. MARSHALL: I have mislaid the newspaper report from which I quoted, but I will try to get the paper again.

Hon. C. G. Latham: Shall I ring for a messenger?

Mr. MARSHALL: No. I will get it in good time. The Premier knows full well that most of our settlers are mere shepherds, and that 90 per cent. of our farmers are owned by banks. The extra wealth that will come into Western Australia by virtue of improved values will be merely locked up in the banks. It will not add a penny to circulation. Will any bank allow a farmer to handle his money? No. The farmer will not have the money in his pocket to spend, as the Premier implies. That money will go straight into the bank, to reduce the farmer's overdraft or loan. To hear the Premier, one would think the money would go into circulation. It goes merely to feed the banks. I could complain for the rest of my life about the unsatisfied requirements of my district—water supplies and improved railway services. But what is the use of complaining? I know our Treasurer can do no more than he is doing. I think he should make a protest against what is taking place.

The Premier: Protests are no good. I try to make practical suggestions.

Mr. MARSHALL: I am weighed down with the sadness around us. Thousands of people are unemployed and hungry. The member for Canning (Mr. Cross) is out to secure homes for people on low incomes. Why not increase their incomes and give them good homes? Let us build up the incomes of the poor.

Mr. Cross: There is no objection to that. Tell us how it is to be done.

Mr. MARSHALL: If I explained the matter to the hon. member, he would not understand.

Mr. Cross: Not in your opinion.

MR. STYANTS (Kalgoorlie) [10.16]:

On the Loan Estimates are a couple of items which affect not only my particular electorate but all the electorates of the Eastern Goldfields. The first one I noticed is the amount of £230,000 to be spent on the goldfields water main. Incidentally, to continue to refer to the water service from Mundaring to the goldfields as the Goldfields Water Supply is something of a misnomer. I believe a greater amount of water, probably many times greater, is drawn from the scheme for other localities than for the goldfields. It is not generally known that 211 million gallons of water were drawn from Mundaring Weir last year for use in the metropolitan area. That quantity is probably in the neighbourhood of the aggregate used on the goldfields. We do appreciate the fact that the main pipeline has been reconditioned, a great amount of money having been spent on that work during the last three or four years. We realise that it is the lifeline of the goldfields, and that without it the goldfields could not exist. But trouble is being experienced in both Kalgoorlie and Boulder now, and has been experienced during the last five or six years, owing to the discolouration of the water. That trouble has become highly acute. Housewives complain bitterly that the water is not suitable for washing, and scarcely a decently potable fluid. I made some inquiries into the matter. I had an interview with the engineer in charge of the Goldfields Water Supply. He told me what in his opinion was the cause of the trouble, and undertook to let me have a statement in writing. After applying to him in writing for that statement three times over a period of about four months, I received his opinion, which did not entirely coincide with what he had told me verbally. Breaking of pipes, he wrote, was causing a certain amount of discolouration, the main pipeline being broken. I thought that was likely to cause considerable rust in the Mt. Charlotte reservoir. As that state of affairs is likely to continue, according to departmental estimates, for three or four years, I suggested that if rust was the cause of discolouration some type of filter should be provided at or near the Mt. Charlotte reservoir to clear the water before it got into that reservoir. The engineer, however, said that while rust might be partially responsible for the discolouration, he did not consider it to be so to any great degree. The chief cause, he said, was the reticulation system from Mt. Char-

Mr. MARSHALL: In his summary of the position on page 296 the professor says—

Banks create and destroy money arbitrarily, and with no understanding of the laws that correlate its quantity with the national income. They have been allowed to regard themselves as the owners of the virtual wealth which the community does not possess, and to lend it, and charge interest upon the loan as though it really existed and they possessed it. The wealth so acquired by the impecunious borrower is not given up by the lenders, who receive interest on the loan, but give up nothing, but is given up by the whole community who suffer in consequence the loss through a general reduction in the purchasing power of money.

The banks have usurped the prerogative of the Crown with regard to the issue of money, and corrupted the purpose of money from that of an exchange medium to that of an interest-bearing debt, but the real evil is that we now have a concertina instead of a currency. These powers have fallen to them in consequence of the invention and development of the cheque system, unforeseen before it became an established fact. It has been connived at by politicians of all parties, who have betrayed the people and without their knowledge or consent have abdicated the most important function of government and ceased to be the de facto rulers of the nation. The issue and withdrawal of money should be restored to the nation for the general good, and should entirely cease from providing a source of livelihood to private corporations. Money should not bear interest because of its existence, but only when genuinely lent by an owner who gives it up to the borrower.

I have one more quotation to show members exactly who create and control credit and what power these people have. No one will challenge the authority of Reginald McKenna on banking questions. Speaking on the 25th January, 1924, he made the following statement when addressing shareholders of the Midland Bank:—

I am afraid the ordinary citizen will not like to be told that the banks can and do create and destroy money. And they who control the credit of the nation direct the policy of Governments, and hold in the hollow of their hands the destiny of the people.

These and other kindred authorities convince me that we can complain, bitterly wail, and moan about the present state of affairs, but that until we tackle the ulcer which causes the pain, we shall get no redress. I tell the Premier he is not going to get me to support any more taxation. I am not going to ask the miners of the Murchison to be killed at the rate of 38 to 40 per annum and impair their physical welfare in the production

of gold to pay taxation to bondholders who are robbing the community. I refuse to ask my electors to provide the robber with his reward. It is taxation all the time. I am tired of it. Governments of this and other countries have evolved into a gang of tax-gatherers for bondholders who never possessed the money they lent. The money was built up on the credit of the people for the use of the people. They will continue to be robbed all the time until they themselves, the people, revolt against it. We shall always have poverty and misery while this system continues. The Premier knows that the Government is at its wits' end. In order to encourage the defeat of scientific application, they will not use up-to-date appliances because they are labour-saving devices. We are shunting backwards. Here is the Federal Government spending hundreds of thousands of pounds of the taxpayers' money every year on scientific research work. Every time there results from that research something we should profit by, the Government says, "No; that is a labour-saving device, and we do not want it." Why do not we go back to early Chinese civilisation and resort to a single-furrow plough? What a ball of inconsistency we are, to be sure! We spend huge sums of money on research and damn every possibility of benefit by refusing to utilise the results. What is the Leader of the Opposition—

Hon. C. G. Latham: You want the Premier. Never mind about me. The Premier had better resign after this speech!

Mr. MARSHALL: There is no need for the Premier to resign. He is in no worse position than any other Premier. However, I will support no further increase in taxation. So far as I am concerned, the maximum has been reached. I shall not ask miners to die as young men, as my father and my uncle died, in order to pay huge taxation.

The Premier: Tell us what you would do.

Mr. MARSHALL: I would not go cap in hand to the Loan Council and say, "We want as much money as we can get, because we have many unemployed."

The Premier: What would you do?

Mr. MARSHALL: The Government is crying because it cannot get more loan money to build up the debt still higher, and then perhaps—

The Premier: Tell us what you would do. You have made that speech four times this session.

lotte over the whole of the towns of Kalgoorlie and Boulder. It is the same pipe as was put in originally, at the opening of the scheme, about 35 years ago. The engineer said the only definite solution of the discolouration problem was to relay those pipes. While it is stated that no money is available for the purpose of providing a clear fluid for the users of water in Kalgoorlie and Boulder, funds have been made available for the relaying of the main pipeline from the Mt. Charlotte reservoir to service the mines. Most of the water used on the mines is for industrial purposes and I sincerely hope that money will be provided each year on the Loan Estimates for the purpose of renewing the reticulation pipes leading from the Mt. Charlotte reservoir. Another matter to which I desire to refer relates to the provision of workers' homes on the goldfields. I listened very attentively to the member for Canning (Mr. Cross) this evening and I endorse practically everything he said, except that I suggest that he has no housing problem in the metropolitan area compared with that on the goldfields, where deplorable overcrowding is rife and rack renting is prevalent.

Mr. Hughes: Did we not pass a Bill to deal with that matter?

Mr. STYANTS: We did, but while the Bill was passed in this Chamber, it met with its usual fate in another place. I desire to impress upon the Treasurer the necessity for providing further workers' homes on the goldfields. Without any suggestion of acrimony, I do not think the workers on the goldfields are getting a fair deal from that standpoint. We know that goldfields rise and fall and that their prosperity fluctuates. If we take the opinion of those who should know—I refer to the engineers in charge of the mines—and take notice of the prospects held out to investors in England by the Minister for Mines when he went Home—I do not doubt for one moment that the Minister was entirely sincere when he advocated the investment of British capital in our gold mines—we must appreciate the soundness of the industry. The development of the mines and the known ore bodies are indications that the life of the goldfields will be considerably more than 10 years. I mention that specific period because in the special scheme that the workers of the goldfields are prepared to enter into with the Workers' Homes Board, they offer to repay within 10 years all the principal, interest

and sinking fund charges involved in the erection of additional homes. If the Treasurer is desirous of embarking upon reproductive work, I know of nothing better than the investment of some thousands of pounds in the erection of workers' homes that are so badly needed on the goldfields. The postmaster at Kalgoorlie told me some time ago that the letter-carriers informed him that in the Kalgoorlie postal district alone, there were over 200 houses in which more than one family resided. Most members know the type of building available for the workers at Kalgoorlie. The homes are very small and in most instances do not provide sufficient space for one family to live decently, let alone two. On account of the rack renting that is so prevalent, the workers find that one family cannot pay the rent that is demanded and at the same time meet their other financial obligations, and so two families doublebank in houses in which the accommodation is barely adequate for one. Sometimes there are three or four children who have to be accommodated, and the result of that system is overcrowding, lack of home life, and paternal care, which lead to juvenile delinquency. In the absence of home comforts, the children resort to the streets and get into a certain amount of trouble. About two years ago the Workers' Homes Board built 40 homes on the goldfields. Initial difficulties were experienced on account of the contractors' bankruptcy, but repayments in respect of those homes are not in question. The board, which is financed by the Government, is receiving annually a return in respect of those homes representing about £2,500. By the end of 10 years the whole of the capital, plus interest, plus rates, will have been returned to the board. That is an entirely different proposition from the scheme in the metropolitan and country areas where the cost of workers' homes is repayable in 30 years. The goldfields workers realise that, in such an extended period, mining will possibly experience another decline to that apparent from 1918 to 1926. They are therefore prepared to shoulder extra responsibilities and to accept a more exacting scheme of repayments. In addition to the provision of those homes, with the consequent more comfortable living conditions, if 40 or 50 extra homes were available, it would have an effect in reducing the extortionate rents

that are chargeable now. Workers who have not been fortunate enough to secure any of those homes that were built by the board have to pay considerably more than those who secured possession of them. The return to the Workers' Homes Board in respect of a 4-roomed weatherboard house is about 26s. 6d. per week, whereas if a similar type of house were rented from a private owner the cost to the tenant would be not less than £2 a week. The local governing bodies have been particularly active regarding this question and, in common with members of Parliament representing goldfields constituencies, have written to the Workers' Homes Board with a view to ascertaining the prospects of further houses being built. The letter I shall quote, which is typical of the replies received by both members of Parliament and local governing bodies, was sent by the Secretary of the Workers' Homes Board to Mr. Eccles, the Town Clerk of Kalgoorlie, who is also secretary of the local governing bodies' association. The letter was as follows:—

I have to acknowledge receipt of your letter of the 12th inst., and in reply desire to advise that when the recent building programme of the board in Kalgoorlie and Boulder was embarked upon it was recognised that mines were expanding, and that the housing shortage on the goldfields was acute. Since that time there has been much private building in Kalgoorlie and Boulder, in addition to the 40 erected by my board. The shortage of homes should therefore have been reduced substantially.

If the Workers' Homes Board has any doubt about getting sufficient applications for houses that may be built on the goldfields, I am prepared to assure it of three applicants for every house that is built. The secretary of the Workers' Homes Board went on to say—

It is not possible, or indeed desirable, to provide all the workers' homes required. In the metropolitan area at present there is an increasing demand for more homes which the board cannot hope to meet, except to a small extent. It will therefore be a matter of some years before the board will be prepared to consider the erection of more houses in Kalgoorlie and Boulder.

So the secretary says the board is not prepared for a number of years to proceed with the building of any more homes in the Kalgoorlie or Boulder districts. When I found it was not intended to go on with a scheme of mass erection of workers' homes. I wrote to ascertain whether the board would

be prepared to allow workers on the goldfields to participate in the general scheme of building workers' homes, and whether they could get their proportionate amount of the workers' homes being provided throughout the State. But that also was refused by the board. Now I notice there is a special amount provided on the Loan Estimates for the purpose of providing a cheaper type of home for the worker in receipt of the basic wage or a small margin above the basic wage. But that is not going to improve the position. It only accentuates the position of the goldfields worker. We realise that at the present time we are paying possibly more per head in taxation on the goldfields than is being paid in any other portion of the State. We do not unduly boast of what we are doing for the State, because we realise that the industry did go through a period of depression, and that during that time the other parts of the State came to the rescue of the goldfields, but we feel it is only fair that the workers of the goldfields who can offer substantial security and are prepared to repay the whole of their indebtedness within a period of ten years should at least be given consideration and have a certain number of homes built for them; because, if there is one portion of the State where decent housing conditions are necessary, it is on the goldfields, where it is bitterly cold in winter and very hot in summer. I hope the goldfields people will be given the opportunity to make successful application for the building of homes in that district.

Vote put and passed.

Votes—Railways and Tramways, £385,500; Harbours and Rivers, £126,500; Water Supply and Sewerage, £926,000; Development of Goldfields and Mineral Resources, £20,000:—agreed to.

Vote—Development of Agriculture, £169,100:

Hon. C. G. LATHAM: I am wondering whether the Minister could tell us whether he proposes to take advantage of the offer by the C.S.I.R., and whether it is proposed to go on with that building.

The Premier: The matter is being considered. The proposal was only made a few days ago.

Hon. C. G. LATHAM: I would like the Government to give early consideration to

the matter. I do not want Parliament to go into recess without anything having been done.

The Premier: A decision will be arrived at before the House rises.

Vote put and passed.

Votes—Roads and bridges, public buildings, etc., £194,528; Sundries £317,144:—agreed to.

Resolutions reported and the report adopted.

House adjourned at 10.37 p.m.

Legislative Council,

Tuesday, 30th November, 1937.

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culosis during the period from October, 1936, to October, 1937? What assurance has the public that farm-killed meat is slaughtered and conveyed to market under even fair hygienic conditions? 5, Is the Chief Inspector of Health satisfied that his officers can definitely detect a contaminated carcass (particularly a pig) by gland inspection only, and without viscera?

The CHIEF SECRETARY replied: 1, All dairy cattle within the metropolitan area are regularly inspected, but only in suspicious cases is the tuberculin test applied. 2, No. 3, The period named in the question is a broken period for statistical purposes. The following are the figures from the 1st January, 1936, onwards:—1/1/36 to 31/12/36—Whole carcasses 198, part carcasses 307, organs 320; 1/1/37 to 31/10/37—whole carcasses 160, part carcasses 205, organs 296. 4, It is obvious that no such assurance can be given. Farmers who regularly kill are expected to provide a small killing outfit, of a reasonably hygienic nature. By-laws specify certain conditions which should be complied with in regard to transport, but close supervision cannot be maintained to see that these conditions are always met. 5, The only thoroughly efficient inspection is that carried out on the killing floor at the time of slaughter, when the viscera is available. When inspecting a dressed carcass (particularly a pig) at a place other than the place of slaughter, and with no viscera available, it cannot be definitely guaranteed free from tuberculosis, particularly if the disease is in the incipient stage.

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

QUESTION—DAIRY HERDS INSPECTION.

Abattoirs Slaughtering.

Hon. G. W. MILES (for Hon. J. J. Holmes) asked the Chief Secretary: 1, Are all bulls and milking cows in registered dairies within and without the metropolitan area regularly inspected and subjected to the tuberculin test? 2, Is the qualified staff of the Government Veterinary Department adequate to ensure the testing of stock in all registered dairies? 3, What number of cattle slaughtered at the metropolitan abattoirs was condemned for some form of tuber-

BILL—TIMBER INDUSTRY REGULATION ACT AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon. E. H. Gray,—West) [4.37] in moving the second reading said: The purpose of the Bill is to ensure a greater measure of safety for workers employed in small timber mills, by providing that sawmills shall be registered under the provisions of the Timber Industry Regulation Act, 1926. At present, the Forests Department imposes certain conditions on mills operating under departmental permit. Plans and specifications have to be submitted to the department and registered prior to the erection of such sawmills. Until registration has been effected, they are not permitted to operate. Under