

good can come out of Nazareth." We have to keep trying for that efficiency which the people who send us here so much desire. Those in charge of the government of this State, therefore, should endeavour to reduce the expenditure on government, and not increase it. But what do we find? It is infinitesimal, but it is worthy of note that instead of a reduction of State Ministers, compared with pre-Federation days, we actually have an increase. If someone in authority were to line them up, as was done in the department in which I worked, and ask, "Tell me what your job is?" they would be hard put to it to reply. A man named Green came over to this State and dealt with us. We had no very friendly feeling for him. If something of that kind were done to the State Ministers, an able administrator would be able to say, "You are about 50 per cent. too many."

We have an illustration in the Taxation Department. How long will we have to wait for the amalgamation of other departments? There is not the slightest necessity for duplicating them. I have even said, when talking to friends, "We are all State taxpayers and Federal taxpayers. We are all the same people. Why then have we these different Government departments to do the job?" There is no reason for it, and the sooner the position is tackled, the sooner shall we have grounds on which to approach the people of this country in asking that we should conduct the affairs of this State. I voted against Federation and for secession and against the Financial Agreement. But I realise that the time is coming when we will have to take the broader view, that the people of this small portion of Australia with big undeveloped spaces, cannot continue as they are at present, and without a good deal of progress, to pay the cost of State government and State control.

Even without dual departments, what does it cost? Somebody must know. It costs well over £1,000 a week, which is a large sum. When I came here 14 years ago I said, and I have not been forgiven for it by some people, that there were too many members of Parliament, and I say that that is so today. Some effort should be made to reduce the cost of government, and then we would be in a much better position to deal with a matter of this kind and justify ourselves in the eyes of the people who pay us to

come here and represent them. I hope something will be done to make these two motions one.

On motion by Hon. G. W. Miles, debate adjourned.

*House adjourned at 4.28 p.m.*

## Legislative Assembly.

*Wednesday, 13th May, 1942.*

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The SPEAKER took the Chair at 11 a.m., and read prayers.

### QUESTION—RUBBER SUPPLIES.

Mr. WATTS asked the Minister for Agriculture: 1, Are any, and, if so, what portions of W.A. considered suitable for the production of the plant known as the Mexican rubber plant? 2, If so, are any steps being taken to establish this plant in Western Australia as a contribution toward rubber supplies?

The MINISTER FOR AGRICULTURE replied: 1, Experiments conducted at Merredin Research Station and also at Muresk Agricultural College indicated that conditions were not suitable for the growth of the Guayule rubber plant. Even under cultivation at Merredin, the yield of latex was not satisfactory. 2, We are investigating the prospects of many types of latex yielding plants.

### QUESTION—PERTH TRAMWAYS.

Hon. W. D. JOHNSON asked the Premier: Will the Government secure from the New South Wales Government the services of an experienced tramway officer for the purpose of visiting Western Aus-

tralia to report upon our tramway system generally and especially to advise in the preparation of time tables and the running to the time tables as published ?

The MINISTER FOR RAILWAYS (for the Premier) replied : No.

### QUESTION—DAIRYING.

*As to Slaughter of Cows.*

Mr. PATRICK asked the Minister for Agriculture : 1, Is he aware that large numbers of cows and heifers are being slaughtered for the meat market ? 2, Are any steps being taken to control the destruction of this valuable stock so necessary for the maintenance and further progress of the dairying industry ?

The MINISTER FOR AGRICULTURE replied : 1, This contention has been freely expressed in recent weeks. The Controller of Abattoirs, who is watching this position, states that it is doubtful whether the number of female stock being slaughtered is greater than usual at this time of the year. Owing to the high price of beef, farmers are taking the opportunity of culling their herds and it is considered that there is the usual proportion of good heifers being retained. 2, It is considered undesirable at this stage to take compulsory measures to prevent farmers selling stock in the most profitable market. The whole matter is being carefully watched.

### QUESTION—TAXATION.

Hon. C. G. LATHAM asked the Minister for Railways : 1, Does he know that the certifying officer under the group taxation scheme at Midland Junction Workshops requires presentation of taxation assessment before giving certificate of tax paid ? 2, Will he give instructions that this practice is to cease on the ground that the individual taxpayer's assessment is a confidential document ?

The MINISTER FOR RAILWAYS replied : 1, No. 2, Answered by No. 1.

### QUESTION—POLICE.

*As to Appointment of Women.*

Mr. NEEDHAM asked the Minister representing the Minister for Police : 1, Is it a fact that a number of women have been

appointed as voluntary police women ? 2, If so, how many ? 3, Will he arrange their duties in such a way as to preclude the necessity for night work ?

The MINISTER FOR THE NORTH-WEST replied : 1, Yes. 2, 20. 3, No.

### QUESTION—VEGETABLE GROWING.

Mr. NEEDHAM asked the Minister for Water Supply : In view of the appeal made to householders to grow vegetables in their home gardens, will he favourably consider an allowance or concession in the water rate to householders who respond to the appeal ?

The MINISTER FOR WATER SUPPLY replied : This matter is receiving consideration.

### QUESTION—ELECTRICITY SUPPLY.

*As to Cottesloe District.*

Mr. NORTH asked the Minister for Railways : 1, Has there been a drop in the voltage of electric current supplied recently in the Cottesloe district ? 2, If so, what was the cause ? 3, Would reduced voltage make lighting cheaper and power more expensive ? 4, If answer to No. 1 is yes, is compensation to consumers practicable ?

The MINISTER FOR RAILWAYS replied : 1, Yes. 2, Transformer damaged by lightning. 3, No. 4, No.

### QUESTIONS (2)—DEFENCE.

*Midland Junction Workshops Annexe.*

Hon. W. D. JOHNSON (without notice) asked the Minister for Railways : 1, Are any of the workers who have been employed at the Midland annexe on munitions production being transferred to the general Workshops ? 2, Is the reduction of employment due to the completion of defence orders ? 3, Is any added work for the annexe in sight ? 4, Whether the reduction of employment is due to the recent visit of the Minister for Munitions (the Hon. N. Makin) ?

The MINISTER FOR RAILWAYS replied : 1, Yes. Temporarily a number of men have been transferred from the annexe to the workshop owing to a shortage of shells. The shells are now on the way here and should arrive about the 20th of this

month. 2, No reduction of employment is anticipated. The transfer was made because of the shortage of shells, and not owing to any mistake on the part of the annexe. The only reason they were transferred from the annexe to the workshop was to help them. When the shells do arrive, it will take about a week to re-transfer them to their ordinary work.

Hon. W. D. JOHNSON (without notice) asked the Minister for Railways: Is the production of shells held up in the meantime?

The MINISTER FOR RAILWAYS replied: Yes, for the simple reason that we have not got them. They are in transit, and will be here on the 20th instant.

Hon. C. G. Latham: It is about time we had an inquiry into that.

### MOTION—UNIFORM TAXATION.

#### *As to Protest by State Parliament.*

Debate resumed from the previous day on the following motion by the Premier:—

That this House expresses its strongest opposition to what are known as the Uniform Taxation proposals. These proposals would deprive the States of their constitutional power to levy income tax and thus seriously impair the exercise of functions entrusted to them under the Constitution for the welfare of the people. They would effect a fundamental change in the Constitution of Australia in an undemocratic manner without reference to the people, and would violate the rights of the States and the people. It has not been shown that the proposals are essential for the war effort and it is the opinion of this House that they should not be put into effect.

MR. WATTS (Katanning) [11.7]: When I first heard of these proposals being put up to and by the Federal Government, I was under the impression that they were intended to make some large contribution towards the Commonwealth war effort. Because I thought that, I was, at first sight, not inclined to take such strong exception to them as I am at the present time. When I perused the report of the committee on this question of uniform taxation, I came to the conclusion that the contribution to Australia's war effort which these proposals were going to make would be a negligible one. What was intended, if the minds of those in charge of the matter could be read, simply amounted, on the one hand, to a desire, as the Premier said yesterday, to increase the powers of the Commonwealth, a malady which has afflicted this State and

other States too, I suppose, for many years; and on the other hand to make sure that the State of Victoria paid taxation equivalent to, say, the average of that paid under other State systems.

Neither of these things, so far as I can gather, will make any great additional contribution to the Federal revenue. Indeed, so far as there being in the report any evidence of increased revenue for the Commonwealth Government, we find that when all these readjustments, as recommended by the committee and which we must assume for the present, at any rate, are to be carried out by the Government, are made, there is going to be some £200,000 less of taxation to be handled than at present. Nor is it proposed—and here again I must rely on the report of the committee as being intended to be carried out—to give back to the States any sum substantially less than that which they have themselves collected up to the present.

The net result so far as I can see is that a higher rate of taxation than is paid at present will be imposed upon the taxpayers of the State of Victoria and much the same circumstances as those which exist today in the other States from the point of view of the taxpayer will continue to apply. I do not for one instant imagine that there is going to be any reduction in taxation so far as the citizens of the States other than Victoria are concerned. Even if one attempts to read between the lines of the committee's report—a somewhat difficult operation, you will agree, Mr. Speaker—one can find nothing to indicate that there is going to be any saving in taxation, and I believe that the story and rumour which has been circulated in this country, has been circulated entirely to make it easier for the Commonwealth Government to seize this power, an unnecessary power, a power that, I agree with the Premier, will not contribute to the war effort. This idea that there is going to be a reduction of taxation has simply been circulated in order to make it easier for a section of the people to swallow a pill that otherwise would have been extremely difficult and bitter to swallow.

I do not propose to be one of those who agree that the Federal Government ought to have this power. Were I of the opinion that there was going to be any substantial aid to the war effort, any substantial financial gain to the Federal Treasury, then

it would possibly be time to reconsider one's attitude, but at the moment there is not a shadow of evidence that financially the Commonwealth is going to gain by the proposals. Indeed, if the Commonwealth Government is anxious to have further moneys to expend upon the war effort, there are certain proposals which are being discussed in the Federal Parliament at present for further expenditure upon social services, which might very well have been postponed rather than advanced at this juncture. I am not against the proposals now being discussed for those social services but, rather than impose upon the citizens of Australia these taxation proposals, the Commonwealth could very well have abandoned a portion at any rate of the social services now being proposed, which would have been at least the equivalent of the few hundred thousand pounds the taxation proposals are expected, according to the report of the committee, to put into the hands of the Federal Treasury over and above the money received at present. The committee does say in its report—

It is estimated that when a uniform scheme of income taxation is in full operation a reduction in staffs of Taxation Departments of the order of 30 per cent.—or 1,000 men—would be possible. . . . Manpower set free in this way is for the most part highly skilled and much of it could, with advantage, be absorbed in activities more directly concerned with the war.

I find it difficult to conceive at present any avenue not amounting to actual military service which is more closely concerned with the war than is taxation and the raising of funds. This committee does not suggest that the men set free should be engaged on military service; it says that the manpower set free in this way is for the most part highly skilled and much of it could be absorbed in activities more directly concerned with the war. Other than military service, I think a majority of members of this House will agree there are few avenues in which these men of the taxation staff could be engaged that are more directly concerned with the war than the raising of funds for its prosecution, which is one of the most substantial jobs to be done and one of the most important to be carried out under our present system.

Yesterday the member for West Perth (Mr. McDonald), in addressing himself to this motion, complained that in business houses in this State and elsewhere special staffs were being maintained to cope with the

many returns which are necessary in connection with taxation, and he gave me the impression that he thought that if the proposals contemplated by the committee were brought into operation, there would be a substantial saving on the part of those firms in the direction indicated. I have looked so far as I could into this matter and I must say I cannot find anything in the report which is going to act in the direction which appeared to be in the mind of the hon. member.

Mr. McDonald: The report says that it will reduce the work.

Hon. C. G. Latham: The Commonwealth could easily reduce it today if it wanted to do so.

Mr. WATTS: It is admitted that it would reduce the work of private individuals, but it will not obviate the maintenance of staffs by firms and business houses.

Mr. Patrick: It will not do so in this State where the Taxation Departments have been amalgamated.

Mr. WATTS: In this State we have a considerable amount of amalgamation so far as income tax is concerned, but many of the returns required are connected with sales tax, payroll tax and other impositions which have been placed upon the people by the Federal Government in successive years and have no relation whatever to the question now before the House. So far as I can judge, they will not be affected one iota. Those returns will still have to be made; those taxes will still have to be paid irrespective of whether this so-called uniform taxation comes into operation or not.

The Premier: We have a single form for income tax now.

Mr. WATTS: That is so. The State Government is not responsible for that condition of affairs, and acquiescence by the State Government in these proposals will not alter that condition of affairs to any substantial degree. I should like for a moment to refer to paragraph 5 of the committee's report, which reads:—

The varying rates and conflicting principles of taxation applied throughout the States create anomalies that operate to the detriment of Commonwealth revenue and to the confusion of taxpayers. Some of the major differences in Commonwealth and State practice are set out in Appendix C.

I presumed that Appendix C was intended to point out to us the anomalies that operate to the detriment of Commonwealth revenue and to the confusion of taxpayers,

and so I looked for Appendix C, but it is not there. Evidently the members of the committee, on more mature consideration, came to the conclusion that they could not, by Appendix C, substantiate that statement and, in consequence, we are not advised whether there are any, and if so what are the anomalies that ought to be removed. If there are anomalies, then the point of view put forward by the Premier yesterday, that a conference between the Treasuries of the Commonwealth and States on these matters would probably have provided far better results than these proposals, is the right point of view. It seems most regrettable that there should have been no approach by the Federal Government to the State Premiers before these proposals were put into the hands of the committee, that there should have been no opportunity for the State Governments to give evidence before the committee and, even worse than this, that the Commonwealth Government should, after having received the report of the committee, have announced its intention to put these proposals into operation without first seeking the acquiescence of the States or suggestions for better proposals if better proposals could be made.

Therefore, I have no hesitation whatever in wholeheartedly supporting this motion. I do not believe that it will in the slightest degree, if the terms of the motion are carried into effect, interfere with or minimise the Commonwealth's war effort. If the terms of the motion are carried into effect it will certainly prevent the Commonwealth from attempting to usurp yet one more of the remaining rights of the State. I make no bones about saying that I was a supporter of secession from the Federation, but at the present time all such ideas must be entirely submerged. At this stage I would not for one moment advocate any act, constitutional or otherwise, that would have the effect of reviving the secession arguments that took place nine years ago. But I disagree with my friend the member for Nedlands (Hon. N. Keenan) that never again should any action be taken in that direction. I submit that the secession majority in this State did not continue its activities primarily because of the fear of war and more latterly because of the coming of war.

Mr. McDonald: The Eastern States may take us at our word.

Mr. WATTS: I hope they will do so; and if that day ever comes, I hope we shall

take advantage of the opportunity. I remind the House of the remark of the member for West Perth (Mr. McDonald) that Australia really consists of two continents separated by a sea of sand. Whether there be a sea of sand or not, there is undoubtedly a great cleavage in space which affects the development of our country. But we must now put all those ideas aside. Nevertheless, unless we are satisfied that the Commonwealth proposals are of vital interest to the war effort, I consider we are justified in opposing them. I, personally, am satisfied, and I believe the great majority of members of this Chamber are satisfied, that the proposals made by the Commonwealth are not vital to the war effort, and that they ought to be opposed because their rejection is vital to Western Australia.

In my opinion there is only one thing wrong with the motion—that it does not lay down any method whereby our opposition can be translated into action in the Federal Parliament. I consider that the Senators who represent this State should be reminded of the privilege which they have, or which they were intended at any rate to have, by the Federal Constitution. Either express or implied, that privilege is that they should look after the rights of the States they represent, and not allow the sovereign rights of the States to be frittered away by Commonwealth legislation. Accordingly, I am of opinion that our Senators, and the Senators of all the other States, should be asked plainly and deliberately by the State Governments to oppose these Commonwealth proposals, thus carrying out their obvious duty.

It can be established, as I have said, that there is no great assistance to the war effort ever to be derived from the adoption of these proposals and that therefore these gentlemen, our Senators, could quite cheerfully oppose them, at the same time doing their duty by the States which elected them. I have no hesitation in saying that if there be Western Australian Senators prepared to tolerate these proposals in the Federal Parliament, then no matter what their political complexion may be, they should be opposed when they come up for re-election. So far as I am concerned, they will not get my vote. In those circumstances I think it would not be wrong if we were to take measures to see that opposition to such Senators was organised, so that they could not be returned once more, if opportunity offered, to let down the State

of Western Australia; and similarly as regards any other States such Senators might represent. Therefore I hope the House will agree to my amendment to this motion, which I now move—

That the following words be added to the motion:—"The Western Australian members of the Senate are required by this Parliament to exercise their privilege as protectors of State rights and in the interests of this State to oppose the proposal; other State Governments to be requested by the Premier to take similar action."

In moving this amendment, which I trust the House will carry, I believe that we should take some action in the direction I have indicated. I take it, of course, that if the words are added the Government will find opportunity to communicate with those Senators informing them of the views of this Parliament on the question. I believe, also, that it would not be a bad idea either if the members of this House would communicate with the Senators on similar lines. I have noticed on more than one occasion that there has been a substantial body of opinion in the House that was prepared at least not to oppose a given motion, but was bombarded from outside by telegrams and various communications, and when the time came for the taking of a division voted against it; so that when the time arrived for a division on such motion, its supporters were in a substantial minority.

The Minister for Lands: Why not substitute the word "request" for "require"?

Mr. WATTS: I did not want to use either the word "demand" or the word "request," and I have tried to compromise between the two. I am moving the amendment in its present form.

**THE PREMIER** (Hon. J. C. Willcock—Geraldton—on amendment) [11.26]: I have no objection to the amendment, except that I do not think we should either "demand" or "require." I think we could request. While we are allowed to exercise our own discretion as to what is in the best interests of the State, Federal Senators are elected by all the people who exercise their votes. We can submit a request to the Senators; and if they take the responsibility of not responding to the request, or of refusing to accede to it, we have our remedy. Undoubtedly if they get a request from a resolution carried by this Parliament, they will sit up and take notice of it. Having taken notice, they will go

into the whole question; and then, if they have not got the right viewpoint for Western Australia, they will think that this resolution from Parliament represents the public opinion of Western Australia. I do not like telling people that they "must" do this or "must" do that. I know that if the Federal Parliament tells me that I "must" do this—

Mr. Watts: The Federal Parliament is telling you that now.

The PREMIER: I want the Senators to exercise their discretion as to what they do in connection with the Commonwealth proposals. Having exercised their discretion, they take the responsibility. So far as we are concerned, this House takes the responsibility of endeavouring to put aside the proposals. We accept that responsibility, and do not seek to dodge it in any way. And in the same way, we put the responsibility on the members of the Federal Senate. We request them to do the same as we do here. But we cannot "require." We are fifty out of the whole number of Western Australian voters for the Senate. The Senators have their responsibility to all the people who elect them. We have, however, the right, by making representations, to request that they do a certain thing.

This presupposes that the Senators will make some inquiries, if they have not already made them, and that, after making up their minds fully, they take the responsibility of whatever they do. We have no power to require them to do that. They are not our employees. They are certainly the representatives of the members of this Parliament and of the remaining people in this State. Constituents of ours request members of this Parliament to do certain things, and we generally do them. But our constituents do not "demand" this or that. Therefore I consider that the wording of the amendment might be altered. I quite agree with the substance of the amendment. I know the Senate was constituted for the purpose of safeguarding State rights; and consequently this Parliament determines what State rights are; and having determined that the rights of the State are infringed by the Commonwealth proposals, we ask the men representing the States in the Federal Parliament to conserve as far as possible the rights which we already have, amongst which is the right to impose income taxation. We can

request them to support the motion because the States have a right to ask them to do so, since they represent the States in the Senate, though some people have expressed the opinion that the Senate, instead of fulfilling its original function of conserving State rights, has degenerated into a body dealing in what some members term party politics. I have nothing to say against party politics, but it is a fact that there seems to be the same line of demarcation in respect to party politics in the Senate as exists in the House of Representatives.

Mr. J. H. Smith: All parties are to blame for that.

The PREMIER: Yes, I accept my share of the blame, because I go out as a party man to support party candidates for the Senate. I accept all the responsibility I am entitled to take in that respect. Nevertheless, I think that we can quite rightly request the members of the Senate to back up a motion stating what we consider should be done in this matter. I have no objection to the amendment, but I would like the mover to alter the word "require" to "request."

MR. MANN (Beverley—on amendment) [11.32]: I have always been a secessionist and always will be, and I feel that if a similar motion to this is passed by every State Parliament in Australia, it will have some effect. The motion before the House at the present time—

Mr. SPEAKER: The motion is not before the House; we are dealing with the amendment.

Mr. MANN: The amendment is an indication that we consider we have a right to have some say regarding uniform taxation.

The Minister for Works: We just want to shake the reins and not apply the whip.

Mr. MANN: I oppose any form of unified taxation. Some people ask what is the use of State Parliaments, but we have to bear in mind the long distance of Western Australia from the Eastern States and its isolated position.

Mr. SPEAKER: I think the hon. member is getting away from the amendment. The amendment deals with two points. One is that the House asks the Senate to do certain things, and the other that it asks the Premiers to take certain action.

Mr. MANN: I will confine my remarks to the reference to the Senate. The Premier has suggested the alteration of one word

in the amendment, but we know public opinion in this State to a greater extent than do the members of the Senate or any other Federal body. I hope the amendment will be carried, and that similar motions will be carried in other parts of Australia so that the Senate may be induced to veto the proposed Federal legislation. I am opposed in every way to uniform taxation, and I congratulate the member for Katanning (Mr. Watts) on having moved the amendment. I hope it will be carried as it was submitted.

MR. McDONALD (West Perth—on amendment) [11.34]: I hope the House will accept the advice of the Premier, because the most we should do is to request the Senate. If we carry the amendment as moved by the member for Katanning (Mr. Watts), we ourselves should be prepared to submit to a motion being passed by the Federal Parliament requiring the State Parliament to accept the principle of uniform taxation. What we suggest, by the passing of this amendment, that we feel entitled to do, the Federal Parliament would be equally entitled to do to us. We have to recollect that our Federal members have the responsibility of acting according to their own judgment, and while we may request them to do something, we should not require them to do it.

Mr. Watts: On a point of order, am I allowed to amend my amendment?

Mr. SPEAKER: The hon. member is not allowed to speak again, but another member may move the amendment.

Mr. Watts: I will be agreeable.

THE MINISTER FOR LANDS (Hon. F. J. S. Wise—Gascoyne) [11.36]: I move—

That the amendment be amended by striking out the words "are required" with a view to inserting the words "be requested."

Amendment on amendment put and passed.

THE MINISTER FOR LANDS (Hon. F. J. S. Wise—Gascoyne) [11.38]: I move—

That the words "be requested" be inserted in lieu of the words struck out.

MR. BERRY (Irwin-Moore—on amendment) [11.38]: I do not like this re-amendment of the amendment.

Mr. SPEAKER: We are now discussing whether the words "be requested" should be inserted in lieu of the words struck out.

Mr. BERRY: I am speaking against their insertion. In the original motion there is a request for strong opposition. In the motion of the Premier these words occur: "This House expresses the strongest opposition to what are known as the Uniform Taxation proposals." We have heard in connection with this motion—perhaps not in this House but generally—that we are in a cleft stick, that there is nothing we can do. We have been told by the Leader of the Opposition that this is a pious resolution.

Mr. SPEAKER: I think the hon. member is getting away from the subject. We are discussing the insertion of the words "be requested."

Mr. BERRY: I am coming to that, Mr. Speaker. What I am trying to stress is that there is not very much we can do in connection with uniform taxation. We are all agreed on the point.

Mr. SPEAKER: We are not discussing that at the present time.

Mr. BERRY: I suppose I cannot move that the amendment remain as it was.

Mr. SPEAKER: The hon. member can vote for or against the amendment on the amendment.

Mr. BERRY: I am definitely against the alteration suggested. By our altering the amendment the whole proposition will lose its punch, and this is a time when we need punch. The lack of it is what is wrong with us—with the State Parliament, the Federal Parliament, and the whole of the Allied effort. The trouble is that we will not express our viewpoint. We will not say, "This is what we must have." We go around saying, "Will you please give us so-and-so?" Have we ever met with success when we have asked for things like that? I am opposed to the alteration of the amendment, because it will not be effective if it is altered.

Amendment on amendment put and passed.

Amendment, as amended, put and passed.

MR. TONKIN (North-East Fremantle) [11.41]: Under ordinary circumstances I would not object to a proposal coming from the Federal Government to introduce uniform taxation. We have to realise that the Commonwealth Government is charged with the responsibility of doing all things it considers necessary for the successful waging of the war. Apparently it believes that it is necessary for it to do this in order to

further its efforts to wage the war to a successful conclusion. In the principle of uniform taxation I see nothing to which I can take exception. It certainly would eliminate a lot of duplication, and would make it easier for people to submit returns and for the tax collecting authorities to obtain money. I am satisfied myself on that point, and I am the only one I have to satisfy. I know that if it is necessary to fill only one column of figures against two there must be a saving. At present, although there is one sheet, the taxpayer has to fill in two columns, making deductions from one which he does not make from the other. If the necessity for doing that is removed the volume of work entailed is reduced. That is a matter of commonsense.

Mr. Doney: You do not know how complicated the new form will be.

Mr. TONKIN: Yes I do, because I can come to a conclusion on that matter by having regard to what is set out in the committee's report. There the committee indicates what the concessional deductions are to be and how they are to be calculated, and also how the tax is to be levied.

Mr. Cross: That is only a proposal.

Mr. TONKIN: Of course it is: and what I am putting up is a proposal.

Mr. Doney: You are taking your cue from the report. You do not know that it will be adopted.

Mr. TONKIN: Any member who argues from here can argue only on the basis of the report. The motion before the House, which has received support from a number of members, is based on exactly the same report.

Mr. Doney: No, it is not. It is based on information from the Prime Minister.

Mr. SPEAKER: I must ask the member for Williams-Narrogin to keep order.

Mr. TONKIN: I cannot follow the reasoning of the hon. member that information has been vouchsafed only to certain individuals and withheld from others.

Mr. Doney: No, that is not the idea at all!

Mr. TONKIN: Whatever has been said on this subject is available to everybody, and I am in possession of as much knowledge as is possessed by the hon. member or by the Premier.

Mr. Patrick: The system will be based on the committee's report but will not necessarily follow the report completely.



Mr. TONKIN: I do not think there will be much deviation from the report when regard is had to the personnel of the committee and the views it expressed.

Mr. Cross: What will they do the next year? Stick to the report again?

Mr. TONKIN: I am dealing with this year first.

Mr. Cross: Ah, but it is the next year that matters!

Mr. TONKIN: I repeat that I would have no objection under existing circumstances, so far as the necessity for waging the war is concerned, to making the Federal Government the sole taxing authority, because under the proposal set forth in the report it is intended to ensure that the States will, during the currency of the new legislation, receive as much in revenue as the average they have received during the past two years. Furthermore, it is proposed that the States will be expected to carry out the social work they have done during the past two years. But if the Commonwealth Government does additional social work of a character which is already being done by some States, those States will be called upon to forgo a portion of the compensation it is proposed to give them. There is nothing unreasonable in that. My objection, however, is that once the Commonwealth becomes the sole taxing authority, despite the assurance of the Prime Minister and others that this system will continue for the duration of the war and one year thereafter, the States will altogether lose their right to tax. I know the assurance was given in all good faith, and that the Prime Minister has made it quite clear that the proposal is introduced as a war measure and that the Government does not propose to continue it for a period of greater length than one year after the duration of the war. In my experience I know of no Commonwealth Government ever relinquishing power it has been able to assume.

Mr. Sampson: Surely you do not doubt the Prime Minister's statement?

Mr. Hughes: What about the entertainments tax?

The Minister for Works: The Federal Government kept the big end of that.

Mr. TONKIN: Apart from that instance, I can recall no power that the Federal Government has voluntarily relinquished. In this case, the authority is so powerful that I feel positive that once the Commonwealth Government has secured power to

tax, we will be confronted with a tremendous task in securing the reversion of that right to the State. If I were living in Victoria, I would not feel fearful about future prospects because I would then say to myself, "If the Federal Government is to be the sole taxing authority, with plenty of money at its disposal, we in Victoria have sufficient representation in the Federal Parliament to make sure the State secures a fair deal."

On the other hand, as conditions are now, I appreciate the basis of representation of the States in the Federal Parliament, and know the hopeless minority in which Western Australian members find themselves in that legislature. Having some knowledge of human nature, I claim that Western Australia will suffer tremendously from any arrangement such as that to be instituted by the Federal Government. I did not support the movement to secure secession, but I have seen sufficient since the referendum was taken to lead me to believe that Western Australia has always received the worst end of the stick. That applies not only in peacetime but during hostilities as well. My own experience convinces me that we get what is left over, whether it be in connection with civil defence work or with straight-out military preparations.

Mr. Thorn: Even at present the munitions annexe at Midland Junction is unable to operate because no material is available.

Mr. TONKIN: Always first consideration is given to Eastern States' interests. The greater the clamour, the more tangible the results! In almost every instance, Western Australia has suffered severely in comparison with what has been done for the other States. Because of that I am fearful of what will happen to this State should we lose the power to tax. Let us contemplate the position presupposing that the Federal authority assumes that power and decides to retain it after the cessation of hostilities. We cannot fail to visualise a demand on the part of the people for increased social services. Such a provision can be made only if there is money available to meet the added cost. If the States are to be asked to increase social services despite their very definitely limited incomes, they will not be able to do so. In those circumstances, we shall find that the social services provided in New South Wales and Victoria will be far in excess of those available to the people in the other States.

The alternative to that is that the States should for all time relinquish their right to tax and to govern. Under those conditions, we would have one Government, working through the Federal Parliament, that would be expected to safeguard the needs of the whole of the Commonwealth. Western Australia, because of its isolation, would suffer tremendously under such a policy. As a representative of a section of Western Australian people, I could not stand by and contemplate such a state of affairs without uttering an emphatic protest. On broad principles, one cannot raise many objections to unification, which undoubtedly would cut out much duplication and corresponding waste and undue expense. From that point of view, the move would be on the basis of sound economy.

Mr. Patrick : If Western Australia were in the same state of development as the other States, it would be all right.

Mr. TONKIN : Yes, provided we had equal representation in the Federal Parliament. The whole problem boils down to the power to tax and the voice to be heard. As it is, should a conference be held in the Eastern States to discuss a matter of importance to the Australian States and the interests of big business in the East are affected, it is always extremely difficult to reach a decision satisfactory to all concerned. So it is with Governments, and especially so regarding matters submitted to the Federal Government. It is because Western Australia is in such a hopeless minority that we cannot expect to exercise the same influence and pull the same weight in Federal councils as can the larger States. It is because I feel so strongly on this subject that I am bound to protest strongly against the intentions of the Federal Government. Then again, I am not satisfied that the anticipations of the Government will be realised and that the predicted saving will be effected, or that the Federal Government will receive the additional money it expects. I have heard various sums mentioned ranging from £5,000,000 to £12,000,000, but I am far from being satisfied that any such return will be secured.

Quite a number of factors have to be borne in mind. When the change-over takes place, it will not be on a clear-cut basis of credits and debits. There are implications that must be considered, and results that in many directions cannot be

foreseen at present. We must realise that at least two members of the Commonwealth committee are avowed unificationists. I cannot speak about Professor Mills because I do not know what his views on the subject may be, but I have read and heard sufficient of the views of the Rt. Hon. James Henry Scullin and of the Hon. Eric Sydney Spooner to know that they are both unificationists. If one peruses the committee's report and reads between the lines, one appreciates that the members of the committee are not so much concerned about this proposition as a war measure as they are for the introduction of the principle from the point of view of ultimately achieving unification. Let members consider this sentence from paragraph 4 of the report—

The committee is impressed with the urgency of this reform, particularly under war conditions.

Let members reflect on that sentence. The inference is that, apart from war conditions, the committee is impressed with the urgency of this reform, indicating that the committee believes uniform taxation should be introduced. It is that sentence which makes me fearful that once the Commonwealth Government assumes this power, it will not relinquish it. Some Governments have adopted the attitude that they should carry out what undertakings were given by their predecessors. On the other hand, that has not always been done. The complexion of Governments changes, together with the personnel. One can easily imagine in these days the Federal Government saying that circumstances have altered and conditions so changed that although it formerly promised to terminate the arrangement for uniform taxation, it did not feel justified in doing so. If that should happen, we would be in the position of having to say, "That is just too bad. Nothing can be done."

In view of the way the wind is blowing, I feel most reluctant to allow the Federal Government to implement the proposals without doing my utmost to prevent that course being adopted. If it were manifest that tremendous advantages would accrue to the Commonwealth, I might be prepared to put aside my fears and allow the Commonwealth to secure the advantages of such an arrangement, but when I am confident that the advantages to be gained will be very small, then I feel justified in supporting the motion moved by the Premier.

**MR. BOYLE** (Avon) [11.55]: The Premier's motion represents a timely protest against what, in my opinion, is evidence of the process of the destruction of the sovereign rights of the States by the Federal Parliament. It is a big issue. Speaking with some sorrow in his voice, the Premier referred to the Government that had introduced the proposal. But such attacks upon the sovereign rights of the States have not been restricted to any particular Government. For many years, almost from the inception of Federation, the view has been developed, particularly in the larger States, that State Parliaments, to use the expression of a prominent newspaper in Sydney, are in the nature of "excrescences on the body politic." The member for North-East Fremantle (Mr. Tonkin) in referring to the personnel of the committee, hit the nail on the head when he said they are avowed unificationists, and that their report must be viewed in that light rather than from the standpoint of aid to the war effort.

The point has been made that the proposed tax amounts only to a decrease of .2 per cent., or, in terms of figures, £200,000. Thus we are asked to surrender the taxing powers of the States in favour of what? Is it in order to secure more money for the war effort? Nothing of the sort! As the Premier pointed out, that is mentioned merely to sugar-coat the pill to enable it to be swallowed, not by Parliament, but by the man in the street, who is already taxed to the utmost and who is prepared to grasp at any straw. In the committee's recommendations, upon which, I presume, the Federal legislation that was introduced yesterday has been based, there was no suggestion of referring the matter to the State Premiers for an expression of their opinion.

No attempt has been made to secure the views of men who are in charge of the destinies of the States. The powers of such Governments are largely centred in the right to levy taxation. I find, upon reference to the committee's proposals, that they suggest taking over taxation other than income tax. In Appendix "B" the committee suggests that in Western Australia the Federal Government should take over income tax, hospital fund, and gold-mining profits tax. That means that after having passed social legislation that has been eminently successful and has provided

the sick poor of this State, as well as our hospitals, with funds they have not previously enjoyed, that benefit is to be taken from them. Even that has not escaped the rapacity of these unificationists. The motion of protest to my mind has been worded perhaps to a greater degree in parliamentary language than many of us would have wished.

The responsibility rests with the Senators of Australia. They have been elected on the American basis, under which each of the 48 States returns two Federal Senators. In Australia we have six States, and each has the same representation in the Senate. The member for North-East Fremantle (Mr. Tonkin) said that the big centres in Australia, like those in Melbourne and Sydney, would apply their voting power to secure benefits that the smaller centres could not hope for. Under the Federal Constitution we have the safeguard of these six Senators from each State. There are three small States, Tasmania, Western Australia, and South Australia, so that actually those States have 50 per cent. of the total representation in the Senate.

I have listened to the arguments as to the constitutionality or otherwise of these taxation proposals. To fight the case in the Privy Council would do little or no good. In my view we should fight the case on the floor of the Senate. We should call upon the representatives of the States to use their political power, apart altogether from parties, to oppose a law which must have the effect of reducing all the States to financial vassalage. The proposal, if carried into effect, would mean the extinction of the State Houses of Parliament. If that comes to pass, we shall have all over again the Home Rule movement. I took a prominent part in the secession movement in this State. That has been dropped since the outbreak of war, and very properly so. A movement of that kind could be misconstrued and used as a basis for enemy propaganda.

In the action they took the Federal authorities evidently were not afraid of the effects of propaganda but, in defiance of the wishes of the States as unanimously expressed by the Premiers to the Federal authorities, they have sought to impose upon us something that can result only in the extinction of the rights of the States. I do not take seriously the promise that we will be reimbursed for the loss of our

taxing powers. That could be like other promises. I have in mind the Surplus Revenue Act, which proposed that 25s. per head of the population was to be paid to the States. All those things are now forgotten, and these other promises will also be forgotten. The present Federal Parliament cannot bind any future Parliament that may be elected. What guarantees have we that this latest promise will be carried out? According to the Taxation report for 1939-40, this Parliament will be left only with the land tax to deal with. The goldmining profits tax will disappear with the industry—I hope only temporarily. The fact remains that out of £2,761,000 that this Parliament imposes in the way of direct taxation, we shall be left only with the land tax of £99,000.

The Premier: And the entertainment tax.

Mr. BOYLE: That is not a big item.

The Premier: And the totalisator tax.

Hon. N. Keenan: And the S.P. fines.

Mr. BOYLE: I wish to correct the figures I have given. We should be left with the land tax of £99,000, the entertainment tax of £98,000, and the vermin rate tax of £16,000. The hospital fund contribution of £270,000 will go. We shall also have left the totalisator tax of £51,000, but with the prohibition of horse racing that will also go. The tax mentioned by the member for Nedlands (Hon. N. Keenan) will no doubt be diverted to other uses.

The Premier deserves the commendation of the House for the fight he has put up. I have recently been a fairly frequent visitor to the Eastern States. I assure members that from the Federal point of view, and the business point of view in Melbourne and Sydney, Western Australia does not exist. At the time I was interested in trying to have Western Australian production taken up, but it was a hopeless endeavour. Money is flowing in the Eastern States, because of the expenditure of Commonwealth funds. The Federal income tax in 1939-40 amounted to £16,000,000. It is now proposed to raise that to £130,000,000. According to the report before us, there will be an increase of £116,000,000 in taxation receipts and the States will lose correspondingly. The proposals make no provision for an increased rate of tax based on the increased spending power of the people. That will evidently be taken by the Commonwealth Government.

This State will be faced with the unavoidable rise in the cost of living. It does not matter what we do to prevent inflation, we cannot prevent it. How can we do so? Take the cost of foodstuffs within 15 miles of Perth. I know of one cabbage-grower who was paid £2 a bag for his cabbages by the army and the products were taken delivery of at the garden. Good luck to the man; I do not cavil at his good fortune. If every bag of cabbages is sold at £2 a bag, how will the civilian population get on? I do not object to that increase in the price because I think it is high time the producer got something for his wares.

Mr. Cross: The producer would not get much of that.

Mr. BOYLE: It is a great pity that through this taxation proposal our war effort should be divided. It certainly must, and will be, divided. The member for West Perth (Mr. McDonald) said that the proposal would reduce the trouble at present involved in preparing taxation forms. That is not borne out by facts. The staffs of most of the city business houses are employed chiefly in rationing projects, such as in connection with tea and clothing. For some time the big firms of Perth have had special staffs engaged in watching stocks and in fulfilling the requirements of the Federal authorities.

Commercial travellers from all over the State have been brought to the city. In any business house we find them engaged now in rationing tobacco and a thousand-and-one other things. Practically 100 per cent. of those people is now taken off the road and is dealing with rationing and so forth. The idea is that the proposal will save trouble in the preparation of taxation forms and provide for the use of one column instead of two. I point out that with the exception of one or two items the figures appearing in the two columns are practically the same.

Mr. Patrick: They are practically uniform now.

Mr. BOYLE: Yes. There may be two columns that are marked with particular lines to show where the Federal and State requirements differ. To suggest that we are going to save money or labour by this proposal is moonshine. It is also said that it will be possible to raise a battalion of 1,000 men by the use of employees whose work in connection with taxation will no longer be required. Anyone visiting the

Taxation offices in the cities of Australia will soon find that the great proportion of the staffs employed consists of women. I do not know how it will be possible to raise a battalion from those staffs. The saving of £250,000 will no doubt be offset by the loss of taxation on £200,000. The whole report is contradictory. Without any reservation, I oppose the proposal of the Federal Government.

**MR. BERRY** (Irwin-Moore) [12.12]: We have heard the views of the Leaders of the House. They are fairly unanimous. I will not therefore take up much time with remarks of my own. I support in a practical as well as a sympathetic sense the Premier's motion, sympathetically because it is particularly galling to anyone to be asked to go to the Eastern States merely to be told that he has been sent for to hear what is going to happen to him. As the Premier said, that could all have been done by means of a twopenny stamp.

**Mr. Raphael**: It has been done through the Press.

**Mr. BERRY**: The concluding portion of the original motion stressed the fact that the Premier was not convinced that the proposal of the Federal Government was particularly to the advantage of the war effort. That point was also stressed by subsequent speakers. Upon that point hangs the whole story. It is the crucial pivot point. If uniform taxation were going to win the war, or going to play a prominent part in bringing the war to a successful conclusion, it would be our duty to agree to it. None of us is convinced of that, however.

I am more convinced, after listening to the speeches that have been made, and taking into account things I have heard myself, that this is a cunning form of planned unification. We know that one of the planks of the platform of the present Federal Government is unification. Even if other parties of the Federal Houses have supported similar proposals previously, and shown a similar disregard for us and a regard for unification, that does not alter the position. I think the Federal Parliament, generally, is striving for unification. It has been said that many of us are secessionists and have only ceased to carry on that movement because of the war. That may be true. It is, however, no excuse for the Federal Government taking the opportunity from the opposite angle to advance the war as

a reason for taking the action it has taken, with a prospect of unification as a consequence. War or no war, the Premier of this State has every reason to be thoroughly dissatisfied with this proposal. He has asked the House in his motion to advance the strongest opposition to it. While we are at war, there is undoubtedly need for patriotic unity and a hundred per cent. war effort, but is this action of the Federal Government conducive to such unity?

Can any member point to a single instance where the Federal Government has allowed this State to play its fullest part in the war effort of Australia? Our State is hundreds of miles from where it ought to be in this connection. Who is responsible? When speaking to the motion, the Premier expressed great regret, in fact, dismay, as to the present status of the War Industries Commission for which we had battled. I share that regret and dismay. The Premier told us that our State had again been pushed back into the muddy stream into which it is constantly being pushed. I can recall accusing the Government of allowing Western Australia to be so pushed, and I feel today that I should apologise for that remark, because I realise now that we are being pushed by the Federal octopus, which is depriving us of the opportunity to establish secondary industries. What has become of the boat building programme which is so sorely needed today? What of the other industries which it was proposed to establish to assist the war effort? They have gone into the limbo of lost things; we are not allowed to have them. The Federal Government has not even the sense to give the State sufficient to make a friend of it.

The Federal Government says to us, "We intend to take away your right to collect taxes." If that right be taken away, then our Government will no longer be a Government. The Premier quoted the late Mr. Deakin, who said something to the effect that unless a Government held the purse it could get nowhere. Yet we are being asked by this proposal of the Federal Government to give away something very precious to the State, namely, its sovereign rights. I prophesy that if we lose control of finance, if we allow some other authority to keep Western Australia's cash book, this House, in a few years, will cease to exist. It is no use the Federal Government offering us a sop by stating that it will return to us these taxation rights a year after the war. Once it has acquired the right

to impose this taxation, and that has become an established order in the minds of the people, it will remain so. We have not received back those things that have already been taken from us and, if we lose this right, we will lose it forever.

In what was an excellent speech, the Leader of the Opposition asked what could we do. He said that this would be a pious resolution only. We are all aware that most resolutions are, and so the Leader of the Opposition suggested something in the nature of a demonstration at Canberra. He referred to something that had been done by the member for Avon (Mr. Boyle) and suggested we might act along the same lines. He also thought that the matter might be taken to the Privy Council, but that suggestion, too, was ruled out. It almost seems as if there is nothing we can do, but I think there is a way out. The member for Katanning (Mr. Watts) by his amendment has placed in our hands a weapon that we can use, unless we are so tied up to party that party will take precedence of everything else. We are in a position to tell our Federal representatives exactly where they get off in relation to their responsibility to this State. After all, we put them there. I was told only the other day that there was no need for a State Parliament.

One of the reasons brought forward to substantiate this was that 19 State members, including two Ministers, represented an electoral area of the same dimensions as that represented by Mr. Johnson. I have not checked the figures but accept them. I favour State reform, because if we have fewer members the expense will be lessened. There is, of course, the reverse side of that picture; 19 State members are now asking one Federal member to do what the 19 State members want, and those 19 members also represent the people of the State and perhaps have a more intimate knowledge of its needs and requirements than has the Federal representative. Therefore, the position is as long as it is broad. This is no time to foment political quarrels, but we should insist upon our representatives in the Federal Parliament refusing to back a Government that with-held assistance from the State. In my opinion, Western Australian Federal representation is rotten.

Members: Hear, hear!

Mr. J. Hegney: You are inviting a charge by the police.

Mr. BERRY: I do not know about that. I think we can get at our Federal representation, but this is not the time to disrupt the Federal Government. We can, however, say very definitely to our Federal members, "If you cannot persuade the Federal Government to do what we want, the day Armistice is declared is the day you will hop out of your job, and we, as individual members, will see to it." I think the State Parliament has more brains in it than has the Federal Parliament, and that we have a stronger grip of the people than have the Federal Ministers.

Mr. Raphael: We do most of the work.

Mr. BERRY: That is so. The Premier appeared to be afraid, or perhaps I should say apprehensive, at Western Australia being accused of lack of patriotism over this matter, but that does not come into the picture at all. Anybody accusing this State of lack of patriotism is a fool. We do not brag about what we have done; we are not boastful, but we are silently proud of our achievements. We can proceed along the lines of this motion and still hold up our heads as high as anybody else in Australia. I trust the Premier will send his motion on to the other State Premiers, who apparently are in agreement with what it expresses. I compliment the Premier on his action.

MR. SAMPSON (Swan) [12.24]: I think most members of this House supported the secession movement but, unfortunately, our efforts proved unsuccessful. I do not think we can very well bring that matter into this debate because, after all, the request for uniform taxation is made for the war period only. The statement has been made that at present taxation is more or less uniform, because the work of preparing assessments and other duties connected therewith are carried out by the Taxation Department. That, however, does not fully disclose the position. If the assessments were prepared in two buildings there would be little, if any, increase in the work. The proposal for uniform taxation has also been described as fatal, retrograde and muddling; but, in my opinion, objection can be taken to that criticism. It is also contended that already economy has been effected in the collection of taxation in this State, but I have my doubts on that score.

The unfortunate position is that many taxes are duplicated in this State. We have a stamp tax, an income tax, a land

tax, and a death duties tax. These are in addition to the taxes levied by the Federal Parliament. The State has tried its hand at the Entertainments Tax. Not so long ago the Federal Government withdrew from that field of taxation, which was immediately availed of by the State. It may be a justifiable tax, but the Federal Government said it could do without it. Running true to form, however, the State Government said that it should be levied. Business people experience great difficulty in keeping in touch with the varying taxation; it is by no means easy to keep abreast of the continual alterations being made.

In my opinion, the taxpayers' point of view should be given consideration by this House; unquestionably, amendments could with advantage be made to the existing law. The present form of return for income makes provision for income received, and for deductions for State and Federal income taxes and Wartime Tax. Altogether the form presents great difficulty to the taxpayer. Provision is made in the State Income Tax Act for deduction from Federal income. Hospital tax is an allowable deduction from State income and Federal income. But, of course, Federal income tax is not deductible. The whole position as it stands in regard to these deductions is that there is considerable confusion and it is almost impossible for the average taxpayer to know what he has to pay. I venture the opinion that in the case of the great bulk of taxpayers a considerable sum is paid in excess of what is legally due. This confusion, which is brought about by the complications involved in completing returns, makes the position very difficult.

Again, there is the varying legislation which has to be faced, and the uncertainty of it adds to the difficulties. The time involved in completing the returns is something which amounts to a big cost. I realise that there will be a saving to the Federal Government if uniform taxation is introduced, and that there will be a considerably less number of employees engaged in the work. That is important, particularly so at a time like this when human power is called upon to do work which is duplicated—called upon to prepare assessment returns under the State Act and assessment returns under the Federal Act. If the Federal proposal to establish uniform taxation is carried out the amount of unnecessary labour saved will be great.

Quite apart from the Government's efforts let us contemplate for a moment the terrific amount of work which, if it could be translated into a definite number of hours, has to be faced by the taxpayers of this State. Every year it is no exaggeration to say that the amount of clerical work for this purpose in commercial offices increases. No one objects to work if it is necessary for the carrying on of good government but is it good government when there is a duplication of work as is the case in regard to taxation? The time involved in collecting information under the various Acts is very great. Today, when labour is such an important consideration, it is an appropriate time for an amendment of present day conditions. We know that in our factories the depreciation allowed on different machines varies. Why should that be? Is it not possible for uniformity to prevail in that respect?

Mr. Patrick: You would not have the same depreciation on all machines.

Mr. SAMPSON: Some machines are shortlived; they are delicately constructed. The differing points of Federal and State assessments give justification for consideration of the proposal submitted by the Federal Government. I am surprised to note that there does not seem to be one word of commendation for the bringing in of a measure which, limited to the war, must mean advantage to the people of the Commonwealth.

Mr. Doney: How do you know it has been limited to the war?

Mr. SAMPSON: It has been stated that this is a war measure. While I did interject during the course of a speech by a member on the other side of the House, I could not obtain from him an assurance that he had faith in what the Prime Minister had declared would be done.

Mr. Doney: Do you believe him?

Mr. SAMPSON: I have no reason for not believing what the Prime Minister would say.

Mr. Patrick: He may not be in a position to give that guarantee.

Mr. SAMPSON: That may be so, but it would be a war measure.

Mr. Doney: It should be a war measure.

Mr. SAMPSON: And those who follow him should carry out what he states. This proposal has one single advantage, and that is that each State shall have the power to impose taxation. That is all right, but

we have recently embarked upon an orgy of taxation and increases have been made from every standpoint. I do not know that anyone could say where further taxation could be levied. I do not know that any member of the Government, or the Government supporters, or any member of Parliament has been encouraged to ascertain whether there are further fields which could be exploited. We have had taxation introduced even into the orchards of this State, but I need not go into that at this juncture. It is, however, a tax for which the Federal Government is not guilty.

The Federal Government has asked that this proposal be carried out because of the war. This State Parliament has not hesitated to ask for the consideration of certain matters during the war. We held up the general elections. We have varied the method of road board elections, and possibly other elections not quite as important.

I am sure that the taxpayers will look with a great deal of approval on the Federal Government's proposal. I feel, and I hope I am not cynical—in fact I know I am not—

Mr. Cross : Who told you so ?

Mr. SAMPSON : —that there will be grave disappointment in the minds of Governments in regard to the difficulty imposed.

Mr. North : On Governments.

Mr. SAMPSON : Yes, without exception. I remember, not so long ago, being successful in getting a small amendment through whereby no sum in excess of a stated amount provided for the purpose of assisting those on sustenance, should be treated as a taxable amount. How long did it stay ? Not very long. It was looked on as something quite superfluous and the sooner it was off the statute book the better. There are certain subjects or objects for which deductions may be made. I would mention one, and that is the infant welfare, or the infant clinic people.

Mr. Cross : You do not know much about them.

Mr. SAMPSON : I know a good deal about one big baby I am always prepared to assist. Money provided for the infant health centres is not money which is deductible from the standpoint of income tax. Why should that be ?

Mr. SPEAKER : Order ! I hope the hon. member will connect his remarks with the motion.

Mr. SAMPSON : This is one form of taxation which has received no consideration so far as I know. If it has received consideration it is not reflected in the taxation. It is no exaggeration to say that thousands of taxpayers, because of the confusion which exists, are unable to know just what they should pay, and as a consequence pay more than they are liable to. If the decision of the Federal Government becomes an actuality no doubt mistakes will still be made, but there will be fewer mistakes because there will be less confusion, ambiguity and complications owing to there being only one assessment notice. The only difficulty about this scheme that has been mentioned so far is that the taxing powers of the State Governments are to end. I have endeavoured to put forward some views from the standpoint of the taxpayer. They are worthy of consideration.

Mr. Patrick : You are putting it from the personal rather than from the public point of view.

Mr. SAMPSON : I am putting it from the taxpayer's point of view, which is important. There is no justification for this House doubting the statement made by the Right Hon. the Prime Minister that this is a war measure.

Mr. Cross : Would you not prefer a capital levy ?

Mr. SAMPSON : That is another matter. I will face that with the same equanimity which I hope my well-conditioned friend would. However, let that be brought forward in due time, and we will see the reception it gets. Meantime I have no objection to interjections by the hon. member, and if that suggestion does come about there will then be something which will have the effect of improving the lot of those in a less favourable position. I am greatly interested in these proposals. I feel that the occasion calls for the expression of views other than those of the Government. We should view the question from the standpoint of not only how it will affect Harvest-terrace, but also how it will affect the thousands of taxpayers who will be assisted in that the existing confusion and complications will be reduced.

MR. NORTH (Claremont) [12.46] : While the Premier was speaking, I made an interjection about an interstate convention. Had I proceeded to the length necessary to make my point clear, I would probably have been ruled out of order, and so I am



now taking the opportunity to enlarge upon that point. I did not intend to suggest that there should be an interstate convention this week. My desire was to ascertain whether the Premier thought that the present impasse could not better be dealt with by holding a convention at some suitable time. Having listened carefully to the various speeches, I am of opinion that there is room for considerable improvement in the relations between the Commonwealth and the States and that the existing situation cannot continue for long. If an opportunity occurred, this question of altering our taxation system, together with other important matters pending between the Commonwealth and the States, could be dealt with by such a convention.

This brings me to the only other point I wish to raise, unless I am ruled out of order, and that is the question, in the event of uniform taxation forcing us eventually into a unified system of government, what will be the constitution of the central Parliament? This is a matter that should be considered when discussing the merits or demerits of these proposals and the trend of events generally. The House of Representatives consists of about 75 members, and it is argued by us that with a Parliament similarly constituted under unification, we with our five members will not get a very fair crack of the whip. The point I raise is, would that be the constitution of that Parliament? Surely, by comparison with other countries, we could not expect to conduct the whole of the affairs of this continent with 75 members.

If provision were made for 60,000 electors for each member, the unified central Parliament would be far too unwieldy, and if the number was multiplied by three in order to bring the number of electors down to 20,000 and constitute a House of 210 members, we would then have Western Australia and the other small States represented by 15 members each. If the four smaller States had 60 votes in the House, they would be able to carry some weight. The oratory of 60 members would have quite a different effect on the House than would that of five members each in a smaller House. I am not suggesting that this would be beneficial, but it is the least that we could expect if we had a larger central Parliament. I now ask, "What would be the advantage? What would be the experience of electors if we had 15 members,

mostly at Canberra, hardly ever in the State, so that anyone at Wagin or South Perth having a grievance had to wait, say, four months before he could interview his member?"

Hon. W. D. Johnson: There would be the advantage of getting away from the property Chamber that dominates the Government here.

Mr. NORTH: The question of the second Chamber is not at present being taken into account in my view of the situation. That could be dealt with separately.

Hon. W. D. Johnson: It is very much in my view.

Mr. NORTH: That is an entirely separate question. I want to know what would be the real advantage—apart from phraseology and war cries that have very little meaning—of having all our members living in the East for the greater part of the year? This would be a great disadvantage to the average elector. The cost of our State Parliament is relatively very small. The public do not fully appreciate how small is the cost of governing the State, especially when money is being splashed about in time of war. The Commonwealth proposes to spend about £500,000,000 this year, and the whole of the Governments of Australia, including the Governor-General, Governors, and all the trappings of office cost only £1,250,000 a year. When we consider what a small proportion that is of the £500,000,000 we are spending on the war, we realise how futile is the suggestion that the adoption of uniform taxation proposals will result in a saving.

Hon. W. D. Johnson: You would not have a Parliament framed on a war period.

Mr. NORTH: No, but in a peace period the position is striking. Members are aware that the revenue of Australian Governments during peace-time is well over £100,000,000, and so the total cost of the Parliamentary institutions is, by comparison, infinitesimal.

In a former session I dealt with the total income of Australia, and quoted some striking figures. The total income of Australia in a good year, according to Professor Colin Clarke, is about £1,000,000,000. Take a million from that for governmental purposes and it is a very small item. When we get under the surface of these taxation proposals and find the real intentions of those in the Commonwealth service who desire to press this change through, we

realise that they continually harp on the idea of saving money and of the false economy of present methods. I have in mind an example which, by analogy, might assist in supporting the contention of the Premier. Many years ago there was a marketing inquiry in order to improve the marketing and the cost of food to the people. Mr. Harry Mann, the then member for Perth, was chairman of the committee. We found that the way to reduce the cost of, say, fruit in the city of Perth was to make arrangements so that consumers could walk to a central market and carry away their purchases in their bags. There were 60 or 70 food shops within a stone's throw of the Perth Town Hall. Each shop had to have a man in charge and perhaps a girl or two to assist, costing £3, £4, or £5 a week, and this charge was added to the cost of fruit.

We found that if all those places were liquidated, consumers would be able to get cheaper fruit. Housewives would take their bags and walk to certain places in the suburbs, carry their fruit home, and save money. But would they? Convenience is surely an economy. That proposal seems to me to be the same, by analogy, as this question of the central government. The Commonwealth is going to save a few pounds and at the same time make all electors miserable. They will be deprived of a voice; local questions will be completely obliterated, and Western Australia—to say nothing of some of the other States—will become a second Northern Territory, as it was before the outbreak of war. The Northern Territory, after years of Commonwealth administration, did not even have a water supply: it was not until the war came that the Commonwealth authorities found time to provide a water supply for the main town.

Mr. Sampson: The large meat works at Darwin have never been operated.

Mr. NORTH: When the Commonwealth realised there was a menace of war and a demand for a water supply, they discovered that a magnificent supply existed in the river, and that, at comparatively small cost, the water could be made available.

Mr. Sampson: It is some distance from the town.

Mr. NORTH: That will be our fate if we are going to be governed from a distance of 2,000 miles. I support the motion.

**MR. RAPHAEL** (Victoria Park) [12.55]: I wish to add a few words in support of the motion. Some of the remarks I made on a previous occasion are quite applicable on this motion. I specifically stated my attitude towards the decision of the Commonwealth to bring into force these uniform taxation proposals. Members are fully aware of the position in this State. We have one department collecting income tax for both Commonwealth and State authorities, and this means that in Western Australia there would be no manpower released for the formation of the new division or brigade that the Commonwealth seems to expect to raise from the staffs of Taxation Departments. Had the Commonwealth authorities come clean with the States, it is probable that the States would have gone some little way to meet them.

There are other methods that could be adopted. The Commonwealth authorities say—and probably rightly so to some degree—that they must have extra money with which to carry on the war. They do not make any allowance for the encumbrances laid upon the States during the years of depression. For every pound obtained from the Commonwealth or through the Loan Council, the States were made responsible. Now that we have an opportunity to get rid of some of that liability or incubus, it is going to be denied us because the Commonwealth intends to take the whole of the increased revenue obtained from income taxation.

The Commonwealth is doing quite a few things with which members on this side of the House disagree. One is that of taxing men to whom a definite promise was made, namely, the men of the armed forces. Members of the A.I.F. were told when they went oversea that they would definitely be free from the imposition of income taxation for the duration of the war and six months thereafter, but as soon as our lads returned to put up a fight in defence of their dear ones in their own land, income taxation was immediately reimposed upon them by the Commonwealth Government. Some of those men have to pay fairly high taxation. Only the man on 6s. a week gets away with it, and it is right that he should.

The Minister for Mines: Six shillings a week! You mean 6s. a day.

Mr. RAPHAEL: Some of them draw only 1s. a day, so it would be 7s. a week. After a promise had definitely been made

to the men, it is wrong to break it. As the Commonwealth Government has broken its promise to the men of the A.I.F. in the matter of taxation, its promise regarding the lifting of unified taxation after the war will carry little conviction. During the 1914-18 war the Commonwealth entered the field of income taxation, though such a course had never been contemplated. But the old, old story was told; it was to be for the duration of the war only. When the war was over, the Commonwealth would retire from the field of income taxation and leave it to the States. We have no guarantee that the party now in power will be in office after the war. When the war is over and an election takes place, many people who have been denied the right to purchase boots, clothing, and other things will want to make a sitting shot of politicians. A politician appears to be in open season all the year, and such people will take advantage of it.

*Sitting suspended from 1.0 to 2.15 p.m.*

Mr. RAPHAEL: Before the dinner adjournment I was speaking of what the position of this State will be when our men are taxed as is contemplated, after the promises made by Governments during the last war. Upon the termination of the present war, we shall be definitely left in the hands of our overlords, the Commonwealth Parliament. The few representatives we have in Canberra are a minute minority, and may be likened to the scriptural "voice crying in the wilderness" against aggression by Federal parliamentarians from the other States. We have that in the Premier's own words with regard to a certain industry particularly dear to Western Australia, an industry whose position will probably be discussed later during this sitting. The lack of support given to our Premier when he was putting up the case for that industry in Canberra bodes ill. This is not a case especially involving the Country Party or the National Party, or whatever names those parties may call themselves by when they get across to these benches. So many names are applied to them that one is at a loss to make selections. The position of our men is one I should like to describe in crude phraseology, but I am prohibited from doing so.

Although I do not wish to discuss the goldmining industry on this motion, I must

point out that the gold tax applies practically to Western Australia alone. Now the Commonwealth is going further, and tells us that the need for manpower is definitely the reason for the infliction of unification upon the entire continent of Australia. I have frequently been in our Taxation Department, and I have looked through the corresponding departments in the Eastern States; and I say it is ridiculous to suggest that uniform taxation is proposed for the purpose of rendering more manpower available for the building-up of our army. This, we are told, is as the result of some agreement arrived at between the American forces and our own. I repeat, to suggest that we shall get much manpower from the various Taxation Departments is absurd. Seventy-five per cent. of the employees of these departments are women, and probably 25 per cent. of the male employees are over the age of enlistment.

Meantime one useless board after another is created, and these boards will more than counterbalance whatever number of men may be obtainable from the various Taxation Departments. In this respect our own State is not free from blame. We started off with milk and onion boards, which were followed by many others. The object of these boards seems to be to control production, but the time has come when production goes by the board. In that direction our State probably gave a lead—not that the Commonwealth needs a lead as regards unwise expenditure of money. There is, for example, the useless board controlling buildings, a board which does not include a single building contractor. That is how money is wasted; and yet we are told that extra taxation is needed for the war effort. No mention, though, is made of the amount of money spent on boards.

Mr. Cross: The object is merely to raise the same amount of taxation; not more taxation.

Mr. RAPHAEL: I know the member for Canning (Mr. Cross) is never wrong; and even if that is the argument, I shall not believe the story. I am easily led, and can be persuaded with facility in various directions; but I cannot be induced to credit that what has been stated is the truth regarding Commonwealth methods. There have been definite assertions that Australia has been spending £100,000,000 to £300,000,000 annually, and that during the current financial year £500,000,000 is to be spent. If some curb is not put on the

Federal Government and if business men are not appointed to the Defence Department, the expense is likely to go up to a thousand million sterling per annum. Then there will be only the feathers left. Our Premier travelled 3,000 miles to attend, together with other Premiers, a conference at which the question of unified taxation was to be discussed with the Commonwealth. But when our Premier got to Canberra, he was told that the question had already been settled by Mr. Scully and his co-delegate, and that the decision arrived at by those two men must be accepted. Really all the Premier got by going over was to have castor oil administered. He did not like it, and voiced a strong protest.

In Western Australia, however, the people are being given a sugar-coated pill. It is stated that they will probably save £2 or £3 on this year's taxation. And that is called a reduction in taxation! The workers and other people in Western Australia should realise the position that has been created here by this Parliament. Let them remember the social conditions that have been built up over the years by Labour Governments in Western Australia, the benefits that have accrued to them from the State Parliament in the way of hospitals, schools, the University, and other social edifices erected as the result of the work done here. Yet from time to time we hear cranks raising their voices against the continuance of a State Parliament. They do not know what will happen when the Commonwealth Parliament has full control over the States. Here the people have a pretty good idea of what is to be got in such circumstances. They know what has resulted from the actions of the present and past Commonwealth Governments. A theory has existed for years that Western Australia is the Cinderella of the States and that nothing is to be done for her. And nothing has been done.

Mr. Doney: You cannot say "nothing," you must say "not much."

Mr. RAPHAEL: I say "nothing." When one sees what has been done by the Commonwealth in the Eastern States, one needs to be easily pleased if one is to be satisfied with the little that the Commonwealth has done here. Mr. Makin, Mr. Dedman, Senator Fraser, and Mr. Drakeford, representing the Federal Government, came over here, the four of them in one avalanche, though we had not seen much

of Federal legislators, barring our own representatives, for a considerable time.

Mr. Patrick: Mr. Makin contradicted you.

Mr. SPEAKER: I hope the hon. member will connect his remarks with the motion.

Mr. RAPHAEL: Yes, Sir; but it will take me a few moments to do it. We have been told repeatedly, and not only by the present representatives of the Commonwealth Government, what is going to take place as regards the manufacture of munitions in this State. The gold tax and other imposts have been collected here, and the receipts from them are being expended by the Commonwealth in South Australia to a large extent, and in Victoria and Queensland. Little or nothing, however, has been expended on fostering production in Western Australia. As I said weeks ago, up to the present practically nothing has been produced here on behalf of the Commonwealth. I shall reiterate that remark until the Federal Government does stand up to its promises to this State and gives it a fair deal. We have munitions annexes here, especially the one at Midland Junction, which are pretty well out of production for the want of material. Western Australian manufacturers cannot produce because the necessary materials are not sent here. Ships are tied up in the East instead of bringing supplies to Western Australia.

Mr. SPEAKER: I do not think that aspect has much to do with the motion.

Mr. RAPHAEL: If I may say so, Mr. Speaker, it has this much to do with it, that we are making a protest against the unified tax.

Mr. Marshall: Nothing of the kind!

Mr. RAPHAEL: If we do not bring these matters to light—though we should not have to do it—we have not much chance of advancing. We must realise that we are sent here at the will of the people, and it is nearly time that our representatives in the Federal Parliament realised that they also are sent there at the will of the people and, just as we can be removed at the will of the people, so can they, no matter how high or low the position they happen to hold. I think with the member for Irwin-Moore (Mr. Berry) that this is definitely a move against State Parliaments. We know that certain members of the Federal Parliament in high positions do not believe in State Parliaments or in letting us have our method of collecting taxation, and this will be a fairly easy way of wiping us out. When this conflict is over they

will say, "There are no further moneys available for you." What is going to happen? We shall go out very quickly because we shall have no avenue of taxation open to us and that means the abolition of State Parliaments.

Mr. Hughes: That is a serious matter!

Mr. RAPHAEL: It will be a serious matter for some of the Federal members, because there will be a lot of candidates for their seats then. I can assure the hon. member that I shall be one of them. We may not even have to wait for the abolition of our State Parliaments before that takes place.

Mr. Thorn: No. I am with you!

Mr. RAPHAEL: If the representatives of this State who are sent to the Federal Parliament cannot stand up for the viewpoint of the people of Western Australia, it is up to some of us who are prepared to present that viewpoint to take their places.

Mr. Berry: They are no good to us if they will not represent this State.

Mr. RAPHAEL: I agree. If they get beyond the touch of the people, they are not very much good to the workers of the State. State members of Parliament—and I do not mean the members of the Upper House, but the members of this Chamber—do about 90 per cent. of the work of the Federal members for the people of this State. We have to do quite a large amount of work for Federal members. Usually our letters have to go through them and come back to us again.

Mr. SPEAKER: Order! The duties of State and Federal members of Parliament have nothing to do with the motion.

Mr. RAPHAEL: If, as a result of the introduction of this form of taxation, the State Houses of Parliament are abolished, I want to know what the electors of this State are going to do. The Federal members are birds of passage; they are here for a few weeks and then they go thousands of miles away again. The viewpoint of the people will not be known because Federal members are not in the State sufficiently long to enable them to ascertain that viewpoint. I handle hundreds of old-age pensioners that Federal members do not see.

Mr. SPEAKER: I wish the hon. member would speak to the motion and not say so much about the duties of members of Parliament.

Mr. RAPHAEL: I am sorry, Mr. Speaker: I was led astray. The Labour Party is in a minority in the House of Representatives

and the Senate, and the Party is kept in power only by the will of two men. If the legislation regarding this taxation proposal is passed and later those two men decide to vote the other way we shall have to put up with the consequences. I believe Mr. Curtin will keep his word while he holds the reins of government, but he is put there by the vote of two men and nobody can say that he will be there next week or the week after. If he is put out of office the Government which succeeds his might say, "The previous Government promised you such and such but that was not our promise and we can do what we like."

I hope the matter will be given consideration by the Commonwealth Government. There are other methods of obtaining money. If the Federal Government wants funds it can take surplus taxation collected last year. We know that money must be found to prosecute the war effort, but if the Government needs cash there are many methods by which to obtain it. We do not mind giving money, as some big firms have recently given it. One firm gave a quarter of a million pounds not long ago, that amount representing excess profits. Such amounts are being received all the time. If the suggested method of taxation is adopted, not only this Parliament, but the State of Western Australia—which even now is only a ghost State—will live to rue the day the Federal legislation was agreed to.

MR. HUGHES (East Perth) [2.37]: Uniform taxation has everything in the world to commend it, particularly at the present time. I ascertained from a friend of mine the other day that 22 different taxes are being collected at the Golden Bastille at the corner of Murray and Barraek streets. The position as I see it is that there are two sections in the community—the sheltered and the unsheltered. At the top of the one section there are the people who are living on fixed investments—the moneylenders and the debenture holders who take no risks in the business enterprises of the community but sit back and draw their revenues from fixed interest on secure investments. Those people are the sheltered people of the community. At the lower end of the scale we have another section of sheltered people who have fixed tenure of office and regular incomes. They have not very much to hope for. So long as the status quo remains, and they can have security of tenure in their

office, they have fixed incomes. Those people are not harrassed very much by the Taxation Department and the necessity for filling in taxation returns.

The other—the unsheltered—section of the community is that which is bearing the brunt. It bore the brunt in the depression and is bearing the brunt of the war, because the people that are in the sheltered sections are the influential people and the people who talk about the necessity for our not having inflation. They want deflation because the higher the purchasing power of money the greater the return they derive from their fixed investments; whereas, on the other hand, to the profitless proletariat and the entrepreneur fighting in the hurly-burly of commerce, inflation will give some relief against the burden of fixed indebtedness. Therefore, people who enjoy sheltered incomes set up a howl about inflation as soon as any attempt is made to alter conditions. They desire to occupy their secure positions and garner the fruits of their fixed investments, and are all for deflation. They do not want inflation or anything that savours of it. They do not want the basic wage to increase because it would injure them, whereas a rising basic wage would help other people in the class in which a lot of us members find ourselves.

A rising basic wage benefits me just the same as it benefits other members in the unsheltered groups. Those people constitute the entrepreneurs of the community, the business men of the commercial world, because they are carrying on business and in those instances are subject to levies by those in the sheltered classes. They very seldom own the real estate on which their business is carried on. They generally either pay rent, which is a fixed charge to the landlord, or, if they should own the freehold of the premises, they have a mortgage and are paying mortgage interest. In either case and frequently in both cases, in order to carry on business, in order to get ready money, they have a bank overdraft; so they are again subject to a fixed charge and they derive an income only after their fixed charges have been met. Any alteration in the economic system falls most heavily upon those people and they never get an adjustment. At present they are suffering terribly because, with restrictions of trade and difficulties of getting stock and of obtaining staff to run their business, they are

unable because of their disabilities to meet fixed commitments. While they are suffering those disabilities they still have to endeavour to meet fixed commitments.

Superimposed on all of these troubles they have the burden of supplying taxation returns. There is the sales tax, the State income tax, the dividend duties, the Federal income tax, the hospital tax, the wage payroll tax and a number of different taxes. I believe there are 22 in all. The life of the average middle-class business man is greatly burdened and harassed by his having to supply taxation returns and answer inquiries of the taxation authorities, because the Taxation Department naturally wants to make sure that everybody pays his full quota of tax. Consequently, officers of the department are constantly asking questions of taxpayers, and the business man and the man who is in the unsheltered class view the prospect of uniform taxation as a godsend.

Mr. Watts: They will still be asked the questions.

Mr. HUGHES: Yes, but if they have only one taxation return to fill in and only one set of deductions to make they will have a much better chance than at present. In the return there are two columns, one for Federal and the other for State taxation.

The Premier: Mostly they are both the same.

Mr. HUGHES: No, they are not.

The Premier: There are two or three variations.

Mr. HUGHES: They are not both the same.

The Premier: Well, not exactly.

Mr. HUGHES: There are considerable variations in the taxation return.

The Premier: No!

Mr. HUGHES: It would be a relief to the taxpayers, I am sure, if they were told, "There is to be one tax. It is so much on your income or net profits and the deductions are so and so." It would be a great relief to them. Look at the burden involved in the sales tax!

Mr. Watts: That will not be affected by this proposal; there will be the same burden.

Mr. HUGHES: How does the hon. member know that will be so, if a uniform tax is imposed? I would like a uniform tax system instituted, for then we would know we would have to pay one tax only. Even

if we had to pay a little additional, we would be more happily situated in knowing that we had one tax to pay and one set of detailed replies to get out.

Mr. Seward: Have you any guarantee that there will be only one?

Mr. Watts: And how is it possible to amalgamate the sales tax with the income tax on the one return?

Mr. HUGHES: I do not suggest that; but if the income tax were properly graduated, the sales tax, the pay-roll tax and the other taxes could be abolished.

Mr. Raphael: Why not abolish the lot while we are about it?

Mr. HUGHES: We could abolish stamp duty and the penny revenue tax that we have to pay on small accounts. That would be a great relief.

Mr. Watts: That is an ideal which is not covered by any proposal under this scheme.

Mr. HUGHES: I do not know whether the hon. member has perused the Bill that has been introduced in the Federal Parliament.

Mr. Watts: Your shot is at least as wild as mine, although mine is supported by the committee's report.

Mr. HUGHES: If the hon. member thinks what I have said about the worries of business men is incorrect, let him go down to the Terrace and ask some of those people.

Mr. Patrick: He said nothing of the sort.

Mr. Watts: Of course not.

Mr. HUGHES: In fact, he need not go beyond members of this Chamber who are business people. They can tell him about the worry involved in supplying information to the Taxation Department and compiling returns. The proposal to introduce a uniform tax has much to commend it. We are told that apparently people are falling for this proposal. It is suggested that they would be foolish enough to swallow what has been described as a sugar-coated pill. Apparently there are some people who think the uniform tax would be to their advantage. I suggest that in the commercial world there are many who view the proposal with approval.

Mr. Raphael: Some workers are in favour of it.

Mr. HUGHES: Possibly that is so. The second sentence of the motion reads—

These proposals would deprive the States of their constitutional power to levy income tax and thus seriously impair the exercise of functions entrusted to them under the Constitution for the welfare of the people.

That statement in the motion is simply not true, yet the House is asked to agree to a motion embodying such a mis-statement of fact! No proposal has been advanced that I am aware of to alter the Constitution and thereby deprive the States of their power to levy taxation.

Hon. C. G. Latham: You think the Federal Government would allow the States to impose taxation after a uniform tax had been fixed?

Mr. Raphael: The States might be allowed to impose such a tax, but how could they collect the taxation?

Mr. HUGHES: The House is seriously asked to say that the proposals deprive the States of their constitutional power to levy income tax, whereas it is not so at all. There is no suggestion of depriving us of our constitutional power to levy taxation.

Mr. Patrick: In effect, there is that suggestion.

Mr. HUGHES: If what is meant is that after the Federal uniform tax has been levied, it will be inexpedient for the States to impose any additional taxation, that may be quite so, but that is not what we are asked to say. The answer to the part of the motion to which I have drawn special attention, will be very simple. The Commonwealth Crown Law authorities will merely say that the Parliament of Western Australia has made a mistake, that it has not been deprived of its constitutional power to levy taxation, that its powers have not been altered in any way, nor have the powers of the Commonwealth Parliament under the Commonwealth Constitution been enlarged in any way. That is the simple answer to the statements in the motion. The Federal Parliament could not do what is suggested without the proposal being referred to the people by way of a referendum. If the Federal Parliament attempted to alter the Constitution, its action would be invalid and the Federal High Court would find accordingly. It is not right for the Premier to say that the High Court always finds for the Commonwealth Government, for that is not correct. Without looking up other instances I can recall to mind the case of Johnson and Walsh versus the Commonwealth Government. That was a deportation case in which the Federal High Court found against the Commonwealth Government. So I say that the answer to that particular part of the motion will be that our constitutional rights are preserved.

As for the latter portion of the sentence which suggests that the proposals would "seriously impair the exercise of functions entrusted to the States under the Constitution for the welfare of the people," if the Commonwealth Government should pursue its proposals, there will be nothing to prevent the State Government from also levying taxation. No citizen can refuse to pay State taxation simply because he has had to pay income tax to the Federal Government. He could be taxed by the Commonwealth up to 20s. in the pound, which would mean that he would have nothing left. If the State chose to impose further taxation, that individual would have to resort to his capital resources in order to pay the extra taxation. Why not say what we mean? Why put ourselves in the position of having a ready answer submitted to our contentions, seeing that there is no interference whatever with our constitutional powers.

I take it that what is really meant is that if the Commonwealth taxation proposals are persisted in, so much of the income of Western Australian citizens will be absorbed that nothing will be left upon which the State can levy taxation. We should urge the Commonwealth to place a limit upon the taxation to be imposed so that a margin may be left for the State. The third sentence reads—

They would effect a fundamental change in the Constitution of Australia in an undemocratic manner without reference to the people and would violate the rights of the States and the people.

That is more or less a repetition of the verbiage of the second sentence. Here again no fundamental, or in fact, any change is made in the Constitution. The motion really comprises platitudes, and the Commonwealth Crown Law officers will have no difficulty in discounting the statements. As to the reference to the referendum, there has never yet been a referendum on a taxation proposal. The Federal Government already has power to tax. Under Section 61 of the Constitution it has powers—concurrent, not exclusive—to make laws respecting taxation but not to discriminate as between States or parts of States. No alteration of the Constitution is involved in the change in the tax imposed. Then the fourth sentence in the motion reads—

It has not been shown that the proposals are essential for the war effort and it is the opinion of this House that they should not be put into effect.

I think it has been shown conclusively that the Federal Government requires all the taxation it can secure in order to promote the nation's war effort. If it were not so, the Federal Government would not resort to borrowing as it has. The man in the street knows that because the cost of war services is so great, the Commonwealth Government needs all the money it can get. To date it has not been able to secure enough money from ordinary taxation sources to fulfil requirements, and so it has resorted to orthodox methods of borrowing. The Government is now faced with the problem of continuing to borrow or adopting some new method of finance, throwing overboard the archaic ideas of finance. If it is not able to secure the money required and people have a little over after meeting their commitments, I think they would be quite agreeable to allowing the Commonwealth Government to have that money in order to carry on the war services.

Here again the House is asked to agree to a proposition the effect of which everyone knows is not correct. If the average citizen of Western Australia were to be told in all seriousness that the Federal Government does not require extra money for war purposes, he would be inclined to laugh in the face of his informants and repudiate the suggestion. I have heard members of this House tell people that the Federal Government requires all the money it can get and that if they have some left after paying their taxation they should place the residue at the disposal of the Commonwealth. It is suggested that the Federal Government has not demonstrated that it requires this money for the conduct of the war. Here we are putting up one proposition after another, well knowing that each will be knocked down.

I agree that if the motive behind the imposition of a uniform tax is to oust State Governments from the field of taxation, that will probably be the most effective way of closing down State Parliaments altogether. With the limited powers at our disposal after the Financial Agreement was entered into in 1928 under which we shed our borrowing powers, we have to realise that we have been shorn of much of our constitutional powers. If we are now to be shorn of the power to tax either directly or indirectly, the effect will be that this Parliament will have the constitutional authority



of the municipality of Wyalkatchem, if there is any such municipality. Certainly, we shall not possess the powers of the City Council, which has definite taxation powers under its constitution. If the Federal Government is making use of this proposal as a subterfuge to destroy the powers of State Parliaments with a view to achieving unification, it is an appalling state of affairs, seeing that the Prime Minister of Australia is one of our political representatives in the House of Representatives.

We have to decide whether our own local member in the Federal Parliament, the Prime Minister, genuinely wants all this taxation for war purposes, or whether he is using the war as an expedient to destroy the State Parliament and inflict an injury upon Western Australia. If the latter is the case, we ought to take other steps. What do we propose to do when the motion is carried? We should back up the protest with something more specific. We should embody in the motion a provision to the effect that we ask each member of the House of Representatives, as well as of the Senate, to vote against the tax. We should go further than the Senate, and should go to the members of the House of Representatives as well. The Prime Minister, who is one of our representatives in the Federal Parliament, should certainly be asked not to do this great injustice to Western Australia, not to destroy this House. I agree that the Eastern States do not take much notice of Western Australia. I have visited the Eastern States on numerous occasions over the years. I would not be surprised if 50 per cent. of the people of Victoria and New South Wales did not think that 50 per cent. of the people of this State were black.

Mr. Patrick: We do not figure much in the newspapers over there.

Mr. HUGHES: Commercial houses are not greatly interested in Western Australia. Since the war, I visited a firm in West Melbourne to see if I could get 500 tons of electric wire for someone in this State. I was told that the firm had only a certain amount of wire on hand and required it for its local customers. I said to the manager, "Have you not been trying to get trade in Western Australia and have you not been sending your travellers to us?" He replied, "That does not matter now, because we do not want Western Australia's trade. For the ensuing six months, we cannot meet

the requirements of Victoria and New South Wales. If at the end of that period there is any wire on hand, we will send some of it to Western Australia." The firm in question was Messrs. Beaurepaire & Co. The head of it was a champion swimmer. Business houses over there do not want our market. I said, "How are we to get on in Western Australia for our services?" The manager replied, "If we have anything to spare in six months' time, we will send it to you."

Over there we do not figure in the scheme of things. That is more or less the general outlook in Melbourne and Sydney. It is a serious thing the Federal Government is going to do, and will place further disabilities on Western Australia over and above those we have suffered under Federation. We are all agreed that if this is done it will strike a vital blow at the people of this State. The shocking thing to me is that this will be done by a Government whose Prime Minister is Mr. Curtin, one of Western Australia's representatives in the Federal Parliament, and one who has lived in this State for the last 35 years. One of his first acts is to inflict a blow upon the State that has done so much for him. Irrespective of political colour we ought to pledge ourselves that we will do our utmost at the first opportunity to unseat Mr. Curtin if he goes through with this business. If we take that course we have an opportunity to be heard, but if we merely pass a pious resolution it will probably be filed away in a pigeonhole, and we shall hear nothing more about it.

Question, as amended, put and passed.

## MOTION—GOLDMINING INDUSTRY.

### *As to Review of Manpower Position.*

Debate resumed from the previous day on the following motion by the Minister for Mines:—

On view of the vital importance of the gold-mining industry to Western Australia and the decision of the Federal Government as announced by Mr. Dedman, the Minister for War Organisation of Industry in the Commonwealth Parliament and as published in the "West Australian" of Friday, the 8th May, 1942—"That there cannot be any protection given to the goldmining industry from the call-up for military service of men directly or indirectly engaged in the industry"—this House emphatically protests against the man-

power proposals in connection with goldmining, which will constitute a disastrous interference with the major industry of Western Australia.

While fully recognising the vital needs of the war situation, we demand that the manpower position be reviewed and that a reasonable amount of labour be conserved to this most important industry, so that it may be maintained.

**MR. TRIAT** (Mt. Magnet) [3.6]: I was of opinion that the goldmining industry had reached the stage when it seemed impossible to save it. I know that many of the mines have already been closed down, the men withdrawn, and pumps and other equipment underground have been removed. When, however, the Minister for Mines decided to move his motion, I thought a spark of life might still exist in the industry, and that possibly we could keep it alive and fan it into a flame. I am prepared to support the motion. Although I do not claim to be an authority on mining, I remind members that I spent my life in the industry. I think I have as much knowledge of it, of its vital importance to the State and to the interests of those who are engaged in it, as has any member of the Federal Parliament. Indeed, I claim to have more knowledge of the industry than has any Federal Minister, particularly as to the possibilities of the industry to the people and the State as a whole. I wish to show briefly how goldmining was developed in Western Australia.

In the early days when gold to an important extent was discovered it offered an opportunity to many adventurous people to come here in the hope of making fortunes overnight. People arrived in Western Australia from every part of the Commonwealth and many other parts of the world. They were filled with an adventurous spirit, and came here in the hope of discovering gold. They were for the most part exceptionally fine people, and full of courage. They must indeed have been courageous people, because in those early days there were no food supplies available as there are today, no roads, no water supplies and no medical services. There was nothing except danger for those people who endeavoured to find gold in the outback parts of the State. The people who came here also included women.

Many women faced particularly arduous conditions in the early days when they came here with their menfolk in order to make a living. In the early nineties when things

were bad in the Eastern States and a great depression existed, there was a big influx of people, particularly from Victoria. Many of them came to this State, either to find gold or to seek employment. Much of the revenue derived from the gold in this State reverted to Victoria to assist in the support of those who were dependent on the people who had come to the West. By that means Victoria derived great benefit from the goldmining industry in the early days, and one would have thought that the people of that State would have been glad to stand behind Western Australia in its present trouble.

**Hon. C. G. Latham**: People have very short memories.

**Mr. TRIAT**: I know that. Then came the day when that wonderful El Dorado, Coolgardie, was discovered, and made known throughout the world. Millions of money came into the State for the opening up of mines. That was the first step towards the prosperity of Western Australia. Many years would have had to pass before the railways were built but for the opening up of Kalgoorlie and Coolgardie. Because of the discovery of gold in payable quantities, money was very soon forthcoming for a railway to Kalgoorlie and Coolgardie, to Menzies, to Gwalia and other parts of the goldfields areas. Millions of pounds were spent in the equipment of mines, certainly under old fashioned methods, in opening them up and in providing railways, water supplies, postal and other facilities such as are required for a civilised population.

There was a great influx of capital into the State, and that definitely placed Western Australia on the map. Mining is, of course, a fluctuating industry. At one time it is well up in public estimation, and at another time it is down in public favour. In the days of which I speak, the richer portions of the mines were exploited, with the result that many mines soon closed down. Thus it came about that mining reverted to the doldrums. In the early 1920's, new ideas, imported from America, came to Western Australia, and American capital began to flow into the State. As a result of the application of American ideas on mining, many derelict mines in this State were revived. Gold was at a high price, and many millions of pounds were obtained from countries abroad as well as from within Australia for the reopening of old mines and putting them in

working order. Prosperity once more came to the goldmining industry, and prosperity reigns in it today.

The new methods of mining provided for the treatment of low-grade ore. These methods had to be employed scientifically. It was not merely a case of taking out the rich ore and crushing it, but it involved a complicated chemical system, whereby the ore was finally crushed and put through various processes. The new methods also required the services of chemists and metallurgists; in fact, the employment of very skilled staffs. Goldmining boomed just at a time when the State was suffering from a depression, when our markets had fallen away, and the wonderful prices of previous years had gone. There was at that time nothing but chaos confronting most of Western Australia's industries, but because of the goldmining industry, the State was again put on the map. To 1941, the total production of gold in Western Australia was worth £240,000,000.

Today we are producing 72.5 per cent. of the whole of the gold in Australia, with a population of 6.6 per cent. of the total population of Australia. That may have a great bearing on those who are endeavouring to close down our mines. The number of people interested in goldmining is so small, 6.6 of the population of Australia, that their voice is not heard. I presume, also, that not quite that number of persons would actually be interested in the industry. The strange thing about goldmining is that there is no desire on the part of those engaged in it to seek for markets. They never use slogans connected with the sale of gold. We never read of a man advertising that he has so many hundreds of ounces of fine gold, or red gold, or any other class of gold, to sell. Gold finds its own market. There is a demand for it in every country, a demand for as much gold as can be produced at world parity.

Mr. North: It is the buyers who do the advertising.

Mr. TRIAT: Yes. It is the purchasers who advertise that they will buy gold. Never does the seller go on the market to get a price for his gold. It is the only commodity in Australia for which no market has to be sought. The attitude exhibited towards the industry by the Federal authorities is therefore demoralising. Other people besides myself are just as much demoralised by the

action to which I have referred. I do not know whether it is a question of Australian Governments having to purchase all the gold produced in the Commonwealth today. At all events, orthodox financiers state that notes can be issued against a gold reserve, so no question of over-production can arise. Many people have made the statement that a gold mine is a wasting asset and that gold itself is of but little value, that it is of no use except for filling teeth and making jewellery. But there are other countries producing gold. South Africa produced 12,000,000 ounces of gold the year before last and 14,000,000 ounces last year. The increase was 2,000,000 ounces, which is an enormous quantity. Yet we find no endeavour on the part of South Africa to reduce its gold production. I myself doubt whether any country in the world capable of buying gold would today refuse to purchase it.

Our danger is that our gold mines may close down. If they do, I say many will not reopen. Goldmining today is very complicated. It is not like turning on a tap for water; because, as I say, once a gold mine is closed down it will not be possible to reopen it. However, if the mines carry on from week to week and month to month they can continue their operations and probably make a small profit. Many mining plants, however, if left standing for three months, will rapidly depreciate. I am talking of cyanidisation plants and treatment plants. If kept working and properly maintained, however, they will be in a fit condition for many years to come. Again, if the mines close down, it is questionable whether they will be able to find sufficient capital to acquire new plants, and the danger is that the mines may decide to cut their loss. I can quote an instance, the Youanmi mine. That mine closed down, but it had not shown a loss, except on capital.

The goldmining industry expends in wages and salaries each year a sum of £3,400,000. It is safe to say that merely one mine is of more consequence to the State than are several hundreds of farmers. If a mine employing 1,300 men ceased operation, the loss in wages would be £10,000 per week. Nor is that the only loss, because enormous quantities of goods are required to keep the mines in work. Hundreds of tons of timber are needed, besides cyanide, machinery, mechanical parts, firewood, oil and many other commodities. The loss to the State in

taxation would be enormous. Last year the State produced approximately £13,000,000 worth of gold. I am given to understand by the Minister for Mines, who knows much more about taxation than I do, that the State received by way of direct taxation from the industry £2,333,000. I do not know what the indirect taxation would amount to, but it would be enormous. Large quantities of foodstuffs are consumed by the goldfields people. The upkeep of the railway to Kalgoorlie must be credited to the goods carried for use on the mines.

The Minister for Justice: The mines are the greatest mainstay of the railways.

Mr. TRIAT: As the Minister pointed out yesterday, 57,000 people are living on the goldfields.

The Minister for Works: That represents a big local market.

Mr. TRIAT: Yes, and it is ready money. The tradespeople have not to wait from harvest to harvest or from shearing to shearing for payment. The men receive their wages each fortnight and pay hard cash for their requirements. Yet we have wise men from the East coming to this State and saying that the industry must be discontinued. No doubt they possess much wisdom, probably much more than we do, but why do they not give reasons for their pronouncement? If the reasons are good, probably we may be able to see eye-to-eye with them; but, failing such a statement, I cannot agree that the industry should be closed down.

Mr. Doney: Particularly as other countries are going hot foot after all the gold they can get.

Mr. TRIAT: Quite right. The Minister also gave the House information as to the number of homes situated on the goldfields. In round figures the number was 15,500. In my speech a few days ago I pointed out to members what would happen to those homes if the industry closed down. Has anyone given consideration to the value of those homes? Each home must be worth, at a minimum, £200; thus the 15,500 homes represent £3,100,000 to the working people alone. Every one of those houses would have been furnished at a minimum cost of £100. How much furniture could one purchase at Boans for £100 today? These assets belong to the people on the goldfields, people who have suffered privations and gone short of many of the necessities of life, including in some cases a shortage of

a good water supply, fresh meat, fresh vegetables and fresh fruit. Are these people to be asked to sacrifice £4,000,000 worth of their property? Who will carry that burden? Will the wise men from the East suggest that compensation should be paid for the loss of these homes? Of course not!

Only one thing will face those workers, and that is bankruptcy. Once the mines are closed down nobody will live on the goldfields. People do not live there for pleasure, but to earn money to support themselves. Thus the homes will eventually be destroyed. When the Youanmi mine closed down a few months ago, 600 homes were vacated. A person could buy a home there for £5. But if all the goldfields were closed down, who would pay £5 for a home on any of them? They would not be wanted. Thus the people who are suggesting the closing down of the goldmining industry have not given adequate consideration to what really lies behind their proposal. Take the businesses established on the goldfields! A huge amount of capital has been sunk in them. Will not the owners be entitled to some consideration? The capital would run into millions of pounds. Again, no redress is suggested for them. The white ants will eat their premises before it is possible to re-open the mines. Apparently, consideration has not been given to these details. All we hear about is the necessity for manpowering men in the goldmining industry to construct roads and build aerodromes. The mining companies are not disloyal. They would be prepared and are willing to allow their workers to be utilised by the Commonwealth Government. They would place at the disposal of the military authorities their engineers, surveyors, timekeepers and other workers to do such work, and probably it would be done much quicker and with greater efficiency than if it were carried out by the military authorities. Yet the Commonwealth Government says, "That is no good. We do not want you to do that, but to close the mines down."

The question of manpowering the goldmining industry was mentioned at a big function that I attended, at which some Federal Ministers were present, but they did not talk much about the industry. They stated what they wanted, but did not seek advice from persons capable of giving it. They said, "This is what we want; we

want so many men." I tried to point out that there were only 8,000 men engaged in the goldmining industry, and that 60 per cent. were 45 years or under, and that of that number some were suffering from miners' phthisis, even men 30 years of age.

The Minister for Mines: Out of the last 2,000 examined, 802 were affected.

Mr. TRIAT: That is the position. A large percentage will be suffering from silicosis in some form or other. These would not be suitable for military service. Any person with dust in his lungs would not be fit for such service. Therefore, the largest number that could be withdrawn from the industry would be a couple of thousand; and this war is not going to be won or lost because of those 2,000 men. Again, the silicotic miners I mentioned are capable of carrying on their present work, so why sacrifice the industry for a paltry 2,000 men? Is that right? Of course not! Enlistments from the goldfields have been greater than have been the enlistments in any other part of Western Australia, and probably Australia.

Our goldfields men have enlisted in great numbers; some threw up positions in which they were earning £20 a week to take their part in this conflict. It was not a question of money, but loyalty. However, a man's loyalty can be stretched too far, if he thinks that all his possessions will be wiped out and that his family will suffer in consequence. I repeat, our visitors from the East have not given sufficient consideration to the fundamentals of our goldmining industry. The industry ought to be the means of absorbing large numbers of men when the war is over, if we succeed in winning.

The Minister for Mines: "If."

Mr. TRIAT: Let us hope we shall. I sincerely hope so. We shall want gold then. It will retain its value; there is no doubt about that. After having met the Federal Ministers that came to this State, I formed the opinion that they had no more ability than has the ordinary man or woman in any occupation.

Member: They do not know much about this subject.

Mr. TRIAT: They did not get sufficient opportunity, while here, to inform themselves about the industry. I talked to two Ministers and found that that was so: they had about half an hour in between civic receptions in which to gain information about

the industry. That is not the right way to treat such men. They came here with a definite mission, which was to close down the goldmining industry. Instead of inviting them to receptions, we should have given them facts and figures, shown them the homes of the workers on the goldfields and asked them to talk to the women living there. I say there was too much soft soap, too many smooth words! Whether the word shall be "request," "demand," or "require" what difference does it make?

Mr. J. H. Smith: Hear, hear!

Mr. TRIAT: The Minister for Mines made no bones about it in his motion. He said, "While fully recognising the vital needs of the war situation, we demand that the manpower position shall be reviewed." He demanded it. That is what we should do with these people who come from the East. We should not be sorry for ourselves. We have nothing to be sorry about. We should look them straight in the eye and say, "You are not giving us a fair deal."

Mr. Berry: You will get nothing if you do not scrap!

Mr. TRIAT: The men who crawl get nowhere, but those who stand four square get their rights. That is why the goldfields people have got their rights. They do not cringe for them. The movement to which I belong was born and cradled in the goldfields. That is where it came from. It has come from people prepared to stand up for their rights. When these people, who happen for the time being to be Ministers of the Crown, come from the East, we have been too gentlemanly; in fact, we have been too "eissy." Well, Mr. Speaker, we will get nothing that way. We will not do much good with this question by simply carrying this motion here. It is to a great extent a pious resolution. It will be sent over to the Eastern States and pigeon-holed. By whom? By the people we are asking to do what we want!

This matter should be taken up by a solid deputation from this House comprising people representing the interests of the goldfields and people representing the interests of the State. They should demand from these Federal Ministers consideration of the goldmining industry. Do not let us send a written protest. Let us send people to make an actual personal demand. Let us meet these men face to face and tell them that the time is long overdue to have a

show-down, and unless they can give us a good reason for closing down our gold mines that we will not close them down. Why did not the Commonwealth Government form a committee consisting of goldfields representatives and mine owners and Federal members to discuss ways and means?

Mr. Berry: How does Johnson stand in this matter?

Mr. TRIAT: He is not to blame. He has a mission to perform and he does it fairly, squarely and honestly. There is no more decent, honourable or more Western Australian man than Victor Johnson.

Mr. Raphael: He is true too, but they put it over him.

Mr. TRIAT: He is the finest man who ever put on a pair of boots!

Mr. North: Where does the move come from?

Hon. C. G. Latham: I cannot imagine you doing what he did.

Mr. TRIAT: I am so easily led at times, I would do anything.

Hon. C. G. Latham: I have never seen you so tractable.

Mr. TRIAT: Whatever Victor Johnson did he did with the best intentions and under instructions. I hope no reflection will be cast on him. He will live this down. The men who know him swear by him. It is the people behind him who are to blame—the Federal Ministers in authority. If we confront them and say, "You have to do something for this goldmining industry; we will not allow you to close it down," they will then take notice of us. But if we cringe we will get nothing from them. I am not going to waste the time of the House, because this is a waste of time unless we form a deputation. The time is long past when members of this House of Parliament, no matter whether Labour, Country Party or Nationalist, who have the interests of this country at heart should stand four square and take their coats off if necessary and, in no uncertain voice tell the people of the Commonwealth—"Hands off our goldfields of Western Australia." Do not let us carry a pious resolution saying "Something better will turn up." It will be too late. To-day there is a man in Western Australia who has authority to manpower men in gold-mining.

The Minister for Mines: No.

Mr. TRIAT: He has some authority. Everything is not final. Before the position

is finalised let this House decide it will send somebody East, not one member, but half a dozen, and let them confront the Federal members and have a show-down. When they return they can tell the House, "Goldmining is finished," or that "The regulation has been withdrawn." I hope consideration will be given to the facts by those people whose interests and wherewithal are there together with everything they possess, and that they will say, "If you do not stop these mines from being closed down you will sacrifice every penny piece we possess."

MR. LEAHY (Hannans) [3.36]: Quite a lot has been said about goldmining and manpower, and in spite of all the talk very little good result has been achieved. Nothing of a practical nature has been done to assist in stopping the final destruction of the goldmining industry. We have listened to people talking about it for quite a considerable time. I have listened to people from the Eastern States. They have plausible excuses. First of all some professor and others talked in their own little circle and made the statement that they honestly believed that gold in the Commonwealth of Australia was finished; that there would be no reason for mining further gold. Then one of our Senators made a statement which was afterwards contradicted. Then poor unfortunate Victor Johnson was sent over here. He is an honourable man and was evidently on an honourable mission. He made every inquiry before he left there because prior to his leaving the Eastern States they definitely decided to close down the mining industry. That is a positive fact. Victor Johnson said to Chifley, "This concerns me. Permit me to go over to these people and let them know what is in your mind. Let me give them an idea just what might happen." He said that Chifley replied, "You can please yourself, but anything further in connection with the whole affair will have to be obtained from the Prime Minister personally." He did that. He said to the Prime Minister, "Am I going to tell the truth or half the truth?" The Prime Minister replied, "Go along to these people who are vitally affected and tell them the whole truth."

He came over here and told the truth, as far as he knew it. Unfortunately, and the contradictory part of the thing was this, that truth was not for publication. Those were his instructions, yet every public body and

person on the goldfields knew all about it. Statements have been made by the Chamber of Mines. The secretary of that organisation has had letters published in the "Kalgoorlie Miner" saying that Victor Johnson altered his ideas when he came to Perth. That is wrong. The statement is not correct. Johnson never altered. He went back again and repeated his statement, and these statements have never been contradicted.

The goldmining industry was of some importance many years ago, and then again during the depression of 1930. At that time gold helped to dispel the black clouds of depression hanging over this State and the Commonwealth. The Eastern States were then floundering in a maze of unemployment, low prices, and such a quantity of primary products that they could not possibly dispose of them, whilst in this State employment went on by leaps and bounds. The city firms in Perth who had been supplying goods to the poor unfortunate farmers during depression when prices were low, saw a new outlook and accepted it. The same thing occurred with the banks. Instead of sticking to the farmer and having only a crop of farm mortgages, they saw a fresh avenue for their money and they recovered almost all their losses sustained in the farming industry.

During the whole of the depression period people with plenty of courage and money conferred with the people associated with the mining industry and the Minister for Mines at that time, the late Mr. S. W. Munsie, and invested their money in the industry. They went into it very thoroughly. They brought experts along. As a result, hundreds of thousands of pounds were spent at Wiluna during a long period of preparation. It was proved that it was possible to mine these low-grade propositions. It is being done today. Just recently I was in Kalgoorlie and met these people from the Eastern States. In spite of all that might be said about them, they did not come over here to tell us anything or advise us in any way. They came over here fairly well provided with the ground work of something which may bear fruit in the protection of the mining industry. They had quite a good system to work on.

The only thing that did not agree with my ideas was the fact that the people most vitally concerned, that is the Chamber of

Mines and the representatives of the workers on the eastern goldfields, the A.W.U. executive, were not in the conference. They had a little war on of their own. There was none of us to go along to those people. They took the various people quietly apart and interviewed them in their own gentle way. We did not know what was going on. I do know that many mine owners on the eastern goldfields are rather perturbed about the whole affair. They say their executive is not playing the game. They pushed us into the breach and wrote letter after letter inducing us to come here, and go to other places, to do all we possibly could, and these unfortunate people in the Eastern States went on with the job and did it thoroughly, and when it was finished they, the Chamber of Mines, said, "We are not worried about that. We are prepared and willing to consent to the Commonwealth tax." Many other things of that sort have occurred, and the only excuse we can get is, "Perhaps we were not as patriotic as we might have been." If it is their honest desire to keep the industry in existence, that is not the way to do it.

When we met the visitors from the Eastern States, they requested us to place facts and figures before them, but we did not have them. I presume that the Chamber of Mines and possibly the Mines Department would be in possession of such information. Many of our miners—and there are not more loyal people on God's earth than the miners, either industrially, politically or nationally—have enlisted. We have no industrial trouble on the eastern or other goldfields in Western Australia, and I venture to say that in no part of the industrial world is there a more loyal band of men than the gold miners of Western Australia. Arbitration is their medium of ventilating complaints and they have stuck faithfully to it without wavering. We have had no trouble on the goldfields that I can recall since 1919, and even that was a little thing which meant nothing.

The miners have done the job. As far as enlistments are concerned, it was not a question of inducing the men to enlist; we had to take steps to prevent them from enlisting. Through their readiness to enlist, they themselves would have brought the industry to a standstill. Every man wanted to join the forces and do something. The view taken by the men was, "Never mind about the mining industry. If our country is in peril, our

place is in the Army." I believe some of them had at the back of their minds that they, by continuing in the industry, might become disabled or afflicted with miner's complaint, and that one might as well go out in a blaze of glory on the battlefield as suffer a lingering death from miner's complaint. However, that was the position six months after the war started. We devised a scheme, and managed to keep many of the miners at their work.

Today there are many men on the eastern goldfields who are anxious to enlist for service, and this regardless of age. They say, "Let the industry go hang." That attitude is all very well. We must admire the spirit of those men, but we have not only to fight the tremendous struggle in which we are engaged, but we have also to make some provision for the peace we shall have to face. After every war in history there have been destitution, suffering and sorrow. Some of us have seen the results of previous wars and on all occasions they have been the same for the poor unfortunate toiler, the man who donned the uniform, the man who went away and stuck out everything. What did we find on the eastern goldfields after the 1914-18 war? There were unfortunate fellows, some of whom had been badly wounded, who could hardly get a bite to eat. Those are the men we have to make provision for. I have heard enough about winning the war. We are all anxious to win it, no one more so than the miners on the goldfields, but goldmining is an industry that can make some provision for our men when they return from the war. This is an industry into which we can place men quickly and get them operating and doing useful work for the country.

The wise men from the east, as they have been termed, have come over and listened to our representations, and honestly I think it rather a disgrace to the Federal Government in this way: Those men came here and acted like scalded cats. They spent 24 hours or 48 hours in Kalgoorlie and expected during that time to learn everything that was to be known about the mining industry. They had not a single proposal to put up themselves; they simply asked us to put up proposals. There are now two sections on the goldfields who are putting up proposals. If the goldmining industry is closed down, it will mean that two-thirds of Western Australia will revert to its natu-

ral state. When men in years gone by went into the bush and found gold, a little village was soon established. Many of those places were afterwards deserted, but during the depression round about 1930 many of those deserted towns sprang into renewed life almost overnight.

Mr. Thorn: The mining industry was the only bright spot in 1930.

Mr. LEAHY: Scientific knowledge was brought to bear in order to treat low-grade ore, thus making low-grade mines a payable proposition. This is much more important than having a high price for gold. Members should not run away with the idea that the high price of gold has made the mining industry what it is today. To do so is a fallacy. The industry has been made by the application of scientific knowledge. Lower grade ore is being worked, up-to-date machinery has been installed and the practice throughout has been improved. Many of the people who pioneered those mines saw the last war through and they are anxious to win this war.

I hope that whatever happens the gold-mining industry will be preserved. I do not suggest that we should keep the industry in a productive stage such as it has been for some time. We put a proposal before the manpower officials and others. We said, "If you really require the men, there is nobody on the goldfields who would say no, and everybody capable of taking up arms is prepared to do so, but if you can possibly devise some scheme whereby the mines may be kept open, even if only on the bread line, so to speak, we shall be satisfied."

A serious mistake was made by one of our leading mine managers. He was asked, "How many men were previously employed on your mines?" The reply was, "Eighteen hundred." He was asked how many men he would require to work his mines now, and the reply was "Four hundred and fifty." I was astonished at that reply, and asked him how he could work his property with only 450 men. "Well," he said, "you know there are certain mines out of which we have to keep the water." We asked what he was going to do with the other mines, which consist largely of shrinkage stopes in which the ore has been broken and left between the walls of the stopes. He said that 450 men could pull and treat all that ore and that he had three years' work. Fancy any man and particularly a mining engineer making



such a statement! The State Mining Engineer has been told of this. Everybody knows that immediately the ore was pulled from those stopes, that would be the end of the mines. When statements of that sort are made, we cannot be blamed for thinking that some of these people are not too eager to keep the mines going.

So far there has been too much talk and very little done. I support the motion, and the proposal of the member for Mt. Magnet (Mr. Triat) that a delegation be sent to the East to present the case strongly and urgently on behalf of the people. We have no desire to interfere with the main object of winning the war. I am satisfied that we can win the war and still keep our mines going, and we should exert every effort to preserve the industry if only for the purpose of providing employment for our soldiers when the present dreadful struggle has ended.

**HON. N. KEENAN** (Nedlands) [3.57]: This motion is an important one, and quite possibly may prove to be the epitaph of mining in Western Australia; and so I do not think that any language is strong enough to express the views of those in this House who take any interest in the future of this State. I hope to make it clear that, with the fall and decline and the final extinction of the mining industry, there is very little hope of carrying on. We have heard, in an almost indefinite manner, how this crisis grew and came to a head. We first of all heard from the Premier on the 9th of last month, and the statement he then made I propose to recall to the minds of members. He said that just before Christmas—that was not very long before—he was in the Eastern States and a statement or suggestion came to his ears in a roundabout and unofficial manner that the mining industry of Western Australia was about to be curtailed. The Premier then, so he told us, made some inquiries himself, and as a result he was assured that the mining industry was regarded as essential, which meant that no manpower would be drawn from the industry for military purposes. The Minister for Mines, however, according to what the Premier told the House, was not satisfied.

The Minister for Mines: I was not satisfied.

**HON. N. KEENAN**: As a result of his not being satisfied, he sought a more definite assurance and obtained it. That was given

some time just before last Christmas. Now the suggestion or rumour which met the ears of the Premier in this unofficial and roundabout manner could have emanated only from the Federal Government. No other power or authority could curtail the industry, or could contemplate the curtailment of the industry. This must have originated from the Federal Government. And so here at this stage, and in the strongest and most emphatic manner, I desire to enter a protest against the treatment which has been dealt out to our State Government by the Federal Government in this matter.

If any action had been contemplated at that time—and it must have been or these rumours would not have existed—what was the obvious duty of the Federal Government? It was to get in consultation with the State Government, to learn what its views were, to learn what it desired to accomplish, from a military point of view, without inflicting mortal injury—mortal injury—on this industry and on the State. But nothing of the kind! The rumour spreads around, and in a roundabout and unofficial manner it comes to the ears of the Premier; and then, as the result apparently of intensive effort on the part of the Minister for Mines, a definite assurance is given that the mining industry is to be regarded as an essential industry, and not to be subject to any calling-up of the men engaged in it for military purposes.

Now I return for a moment to the Premier's statement in which he said that the Minister for Mines got that assurance, and also that he himself got the assurance. The Premier did not name the Minister who gave him the assurance. I understand now, if I am correctly informed in the matter of what the Minister for Mines said, that it was Mr. Dedman who gave the assurance.

The Minister for Mines: In front of the Prime Minister, the Federal Treasurer, and Mr. Beasley. Those three Ministers were there.

**HON. N. KEENAN**: Then in fact it was a Government assurance.

The Minister for Mines: I took it as such.

**HON. N. KEENAN**: The Minister for Mines was perfectly entitled to do so. It was a Government assurance because the Minister giving it gave it in the presence of other responsible fellow-Ministers, who would not have allowed him to make the statement unless they assented to it. But

I should have thought it would have occurred to the Premier or to the Minister for Mines, when that assurance was obtained, to ask what caused the rumours.

The Minister for Mines: I got that at previous conferences.

Hon. N. KEENAN: After all, the rumours could not come into existence, as I pointed out, except from one source; and the question is one that might well have been asked. It was not asked, and apparently because the Minister for Mines, as I admit quite naturally and properly, was satisfied with an assurance given by Mr. Dedman in the presence of the Prime Minister and some other Cabinet Ministers. Events passed on, and apparently some time after Christmas, according to what the Premier has told us, the rumours became more insistent. As a result—and as to this I cannot find myself prepared to agree with the Premier—he appointed a committee. Instead of wiring to Canberra saying, "There are some rumours current here which have come to my ears in some manner or other—"

The Minister for Mines: The Premier did that.

Hon. N. KEENAN: Later! Instead of doing that the Premier at this time thought it wise—I am afraid it was far from being wise—to appoint a committee. This committee was to collect facts which were to form the basis of a vigorous protest, "an effective protest," to use the words of the Premier himself. It will be noticed that once more there was a complete ignoring of the Western Australian Government. These rumours, which now we know, of course, originated once more from a Federal authority, were prevalent in Perth, and reached the ears of anyone who wanted to learn what was likely to happen in the immediate future in the mining world. Once more the State Government was treated as if not deserving of any respect whatever, not deserving of any communication of knowledge or of any consultation whatever.

As a result of the committee's work an effective protest was prepared; but we have never heard, and I have yet to learn, whether that effective protest was ever forwarded to the Commonwealth Government or whether it still lies in some pigeonhole of the Mines Department. One would have imagined that in a matter of this great and immediate importance as soon as ever the

protest had been completed it would be sent to Canberra in order that the people there might know at any rate that, despite the fact of their choosing to ignore the State Government, the State Government was not going to allow them to carry on with this policy without communicating to them the most effective protest that could be made. However, apparently no protest was sent; and then, the Premier tells us, war conditions became worse, as we all know they did, and these rumours became far more numerous and disturbing, once more entirely unofficial, entirely without any authority and very disturbing in their phraseology. The Premier then telegraphed to the Prime Minister of the Commonwealth, not in terms such as I would have used and I am sure every member of the House, including myself, would now use.

This protest was merely a request to Mr. Curtin, who is the Prime Minister of the Commonwealth, to make a definite statement on what the Commonwealth Government's intentions were. This telegram was sent apparently, so far as I remember the Premier's speech, and so far as I have refreshed my memory by "Hansard," about the time when the Minister for Works was at Canberra, about the time when General MacArthur arrived. But apparently it is of no interest to determine when it was sent, no interest whatever, because it was never replied to. No answer whatever was sent to it. It was sent months ago, and no answer whatever! But still the Premier told us in his speech that he, on the 9th April, hoped that Mr. Curtin would make a statement. That is an attitude of extreme humility for the Premier of this State, to remain hopeful that a statement will be made by the Prime Minister when he has telegraphed a direct request for the making of it! Although I very bitterly regret the course of events, I do not blame wholly either the Premier or the Government in the matter. The Government has been treated not with scant courtesy but with no courtesy whatever. It has been treated as an inferior body, not deserving of a reply, not deserving of any consideration.

Mr. Marshall: Not deserving of recognition even!

Hon. N. KEENAN: Not deserving of anything. Actually, a private member of the Federal Parliament came to Western Australia as a kind of unauthorised agent, a

diplomat without his credentials. He met in Kalgoorlie the representatives of the mine-workers, of the mine-owners, and of the business people. To them he made a statement in confidence—and there were many hundreds of them. With such a huge assemblage taken into his confidence, what he had said soon became known to everyone. He may have said, in the language of our very welcome visitors, our American cousins, to have “spoken a mouthful.” But unfortunately that mouthful was true. Unfortunately what he did tell the business people of Kalgoorlie and Boulder, and the mine-owners and the mine-workers, is just what has come to happen today, although I am quite aware that when the gentleman in question attended a deputation to the Premier he somewhat watered down what he had said on the goldfields.

Now I turn to continue the history of events. I am relying on what has been told to us by the Minister for Mines, because what I have related is all that the Premier was able to tell us on the 9th April, the point I have taken members to, when apparently an unauthorised agent came over here. At that time what was believed spread alarm. Now we hear a continuation of the story from the lips of the Minister for Mines. He gives us the history of Mr. Dedman. Apparently by some extraordinary accident the Minister for Mines started over East to meet Mr. Dedman, and—

The Minister for Mines: No. It was the clear intention that I should do so.

Hon. N. KEENAN: I presume that if the Minister for Mines had known Mr. Dedman was coming here, he would have waited.

The Minister for Mines: I knew all about it, and I have said in the House that after many telegrams exchanged the Premier and I decided to meet Mr. Dedman in Melbourne on the Sunday afternoon.

Hon. N. KEENAN: Whether purposefully or accidentally, the Minister for Mines went East at the same time as Mr. Dedman came West. This was about the 22nd April. When he was here Mr. Dedman was presumed—I do not know whether he did it or not—to inquire into those matters which the member for Mt. Magnet (Mr. Triat) clearly laid before the Chamber in regard to mining—to what extent miners dragged out of the occupation of mining would be of any use in other occupations; what, on the other hand, they could

do in the way of assisting the war effort, yet still remain in the mines, by carrying out war work periodically in the neighbourhood, and then returning to the mines. So far as any of us knows, Mr. Dedman made no inquiries of that kind. He attended receptions and at receptions no information whatever is to be secured. Then he went to Kalgoorlie. I propose to remind the House of what he said in Kalgoorlie. It was absolutely and entirely misleading as regards what happened afterwards. He was invited there to make a statement at a reception and for once in a while, forgetting his caution I suppose, he did so. This is what he said—

At this stage, and taking into account the present degree of emergency in which the country finds itself, I can reassure the people of Kalgoorlie and of Western Australia that it is not the intention of the Government to apply drastic restrictions to upset the whole economic life of the goldfields and the State.

Those words were received with the greatest appreciation by those who were there and by those by whom the remarks were read in the newspaper. But they were made with absolutely no real intention of their being carried into effect.

Mr. Dedman is said to have had an assurance that the mine owners would raise no objection to any man under 45 being removed for military purposes from the mines. That statement is said to have been received from members of the Chamber of Mines. I think the Minister for Mines knows the history of what happened. No such thing was suggested for a moment by the Chamber of Mines. What was suggested by one of the members of the Chamber of Mines, who happens to be the senior vice-president and who is an extraordinarily patriotic man, was that no objection would be taken to the removal of the mine workers from the mines if the need arose, which is a very different matter and besides that is entirely in accord with what is practically the opinion, I feel sure, of the great majority of the people on the goldfields. Those people are willing to make any sacrifice in reason in order to aid the war effort. This man who happened to speak to Mr. Dedman is a peculiarly patriotic man and takes the view that no sacrifice is to be questioned for a moment, or the effect of it calculated, if it means something that bears on the war effort.

I would like to point out that I do not propose to speak for the goldfields. There

was a time when I had the honour to do so but unfortunately only a few of the people are there today who were there when I was, and although I might claim to represent their views, they are but few in number. So I do not venture to say that I have the right to express the sentiments of the people of the goldfields. Nevertheless it would absolutely surprise me if they were different from those of the men I knew when I was there; from those of the men with whom I grew up as a young man, and whom I therefore knew thoroughly, because in those days formality counted for nothing. Scarcely one man in a dozen had a clean collar but that did not matter; a man was a man and that was what counted. I knew them thoroughly, and I believe the men on the goldfields today are not for one moment unworthy successors of those who preceded them. I believe that the position taken up by the miners, the workers, the mineowners and the business people of Kalgoorlie and Boulder is justifiable. It must be borne in mind that it is the business people who will be called upon to make the greatest sacrifice, as I will point out to the House in a moment. The business people face absolute ruin.

What was the position taken up by all these classes of people? It was this: That if there was no choice left, if it was necessary in order successfully to defend Australia and successfully to carry on this war beyond the boundaries of Australia until we chased these invaders to their dens, there was no sacrifice they were not prepared to make no matter what it meant, whether of property, of life or of anything else. But—and it is a very important “but”—they want to know that they are not selected as victims, that they are not, as the Minister for Mines explained to us, collected because they are so easy to collect, because they are there in a number and can be grasped easily and taken away. They want to know if the other sources of manpower have been dealt with and exhausted; for instance, the reserves of manpower in the Public Service in Melbourne, Canberra, Sydney, Brisbane, Adelaide and even here in Perth. They want to know before they are called upon to suffer utter ruin in their lives whether the workers in the luxury trades in the Eastern States have been withdrawn. On that matter may I quote a paragraph from the “Australian Worker,” which was reprinted

in the “Kalgoorlie Miner” of the 25th April. That paragraph is as follows:—

It is no exaggeration to say that there are probably as many persons engaged in making lollies and chocolates in the Eastern States as there are employed in the great mining industry of Western Australia which directly and indirectly supports about 25 per cent. of the people of the State.

I do not know whether that is accurate or exaggerated, but there must be a considerable number engaged in those luxury trades or a statement of that kind would not have been made in a responsible paper. So the people of the goldfields—the miners and the business people—want to know, before they are snatched from their homes, that those luxury trades have been closed down and the workers employed in them called upon to perform army service.

Lastly, they want to know why it is that a great many men are still employed in the Army and the Air Force doing work that could be as easily and efficiently done by women. One has only to go to Pearce to see what is called the executive. They are not fit to be trained for flying for many reasons, chiefly because to qualify a man has to have an extraordinarily fine physique and in every sense be able to stand the strain which a pilot has to endure. These men are used for counting boots and socks and shirts, work which women could do as efficiently as they do it, thus making them free for other purposes in the Army. Until the people of the goldfields know that these sources of manpower have been, if not exhausted, at least tapped, they are not willing to make this sacrifice. Great as is their patriotism, they are not willing to be made victims of it, and that is what the present proposal sets out to do. There is no use in saying they could resist. They can be dragged from the mines by force, so resistance is out of the question. I listened to the member for Mt. Magnet, who I think did suggest physical resistance in some measure.

Mr. Triat: In the Eastern States, not here.

Hon. N. KEENAN: It is not possible; they can be dragged by force from the mines at the whim of a Minister. That is all I want to add to the very valuable speeches that have been made on this matter by the Minister for Mines, the member for Mt. Magnet and the member for Hannans, and which doubtless will be made by other goldfields members. That is all I want to say

on the question of the attitude of the people of the goldfields. I would be desperately ashamed in my very soul if I thought their attitude was selfish, that they were refusing to recognise a national need. They are not, but they are refusing, or attempting to refuse—though they have no hope of carrying out their refusal—to be made victims of their patriotism simply because, in the words of the Minister, they are easy to get at.

But what are we to say of the effect of this policy on the State? What is to be the future of the State if the mining industry, as is absolutely certain, declines almost if not absolutely to a vanishing point? It is useless imagining that mines that are closed down now can be opened again. No man who has had any knowledge and experience of mining in Western Australia would assert that that is possible. Leave a mine for a few years without being attended to and the necessary underground pumping work kept in operation, and there would be no mine at all. I remember that on one occasion I was part of a syndicate which attempted to restore a mine that was known to have gold in it, but it was absolutely impossible. As soon as work was started, all the rock around was found to be absolutely rotten and the expense of restoration work was out of all bounds.

That will be the result in Western Australia if the goldmining industry is allowed to be closed down now. We shall write its epitaph. If it is now closed down, the industry will never re-open unless new mines are found, which will be extremely unlikely. As to the effect of the industry from the standpoint of contributing to the wealth of the community, the Premier has given the house some actual figures of direct loss, because those figures are capable of being given with exactitude. But the indirect loss that would accompany the extinguishing of the industry is something the magnitude of which no one can possibly imagine. The effect would extend through so many channels in Perth alone!

Mr. Marshall: My word it would!

Hon. N. KEENAN: There are here many businesses that, should the mining industry cease to furnish customers, will have no chance, or at least very little chance, of carrying on. Take such big businesses as Harris Scarfe and Sandovers, McLean Bros. and Rigg or Hadfields. Such firms will feel

the effect seriously if the mining industry ceases to operate. What will be the effect on employment, even in the coastal areas, should mining operations cease? While the war continues and available manpower is utilised for various purposes associated with hostilities, then the effect on the field of employment will not be noticed.

Today staffs of all concerns are depleted, not because the goldmining industry is adversely circumstanced, but because men are being called up for military service. But with the return of peace when once more avenues for employment are sought, what will then be the position? What will it be in coastal areas? What will it be in Perth? Of course, the scope for employment will be disastrously affected by the decline, or extinction, of the goldmining industry. On the goldfields themselves employment will be non-existent. Towns that have grown up after many years of effort by our people, with homes adorned in a manner of which we can well be proud, will disappear, and there will be nothing left but the Eastern desert for us and ours. That is the future before us. And so I say that although the motion is couched in strong terms, I would like those terms to have been even stronger because they embody not expressions based upon mere fear, but of absolute certainty. We know that the goldmining industry if killed will sound the death knell of Western Australia.

I do not wish to say more. My days as a goldfields member have long ceased. If it were not for the fact that in the last few days I have received numerous letters regarding this matter from old goldfields people, I would not have intervened in the debate. But they look to me for help, without the least hope of any possible succour. They look to me, but I can do nothing for them. No one can do anything for them. We are fighting a power much greater than our own, and behind that power is the strength of the law. We cannot possibly resist it, and so we look upon the goldmining industry which we built up half a century ago in face of all the drawbacks and difficulties presented by a hostile Nature, as doomed.

MR. MARSHALL (Murchison) [4.35]: I shall endeavour to be brief in adding my contribution in support of the motion. The subject matter has been fully discussed

both from the standpoint of the general principle involved and from that of the technicalities associated with the goldmining industry. I desire to address myself to the motion because I feel I have some obligation imposed upon me to disabuse the minds of some members, who from time to time have listened to me discussing the value of gold as it affects the internal mechanism of the currency of the nation. Possibly my utterances were not clear enough to enable members to discern the difference between the point of international importance as against the internal importance of gold to a nation. I have never yet stated that gold had lost its importance as an international unit of account. As the member for Brownhill-Ivanhoe (Mr. F. C. L. Smith) would put it, its acceptability nationally makes it ever useful for the purpose of adjusting international balances and as such it still holds as much sway as ever.

But for the last 20 or 25 years it has played no part whatever in the control of the monetary units alleged to be attached to it for the internal operations of any nation's monetary system. That is the difference. Although it would be argued by those of orthodox mind that gold is still the basis of currency, that argument has been proved fallacious and wrong. With greater bank control of the expansion of credit, the volume of money circulated in and out of the commercial life of any nation is measured, but gold does still hold its value as an international unit of financial adjustment—not that it is indispensable. I trust that members will now clearly understand why it is I speak in support of the motion before the Chair. I am not speaking with two faces when I support it. All my arguments regarding monetary reform and the amending of our banking policy have been that we must depart from orthodox methods of monetary control and banking, but until members will afford me the right to experiment with unorthodox methods of banking, gold will remain indispensable. Until I can reach the point where we can change from orthodox methods to the new economies, which are unorthodox, I must support the production of gold. I rose principally to clear up that point.

There are one or two other observations I wish to make and I shall be brief in my references. I congratulate the member for Nedlands (Hon. N. Keenan) on his splendid effort. I saw in that honourable mem-

ber all the old feelings and the old spirit animating the pioneers of the goldfields. I saw in his words the same sentiments with which those hardy old battlers and pioneers of the goldmining industry of Western Australia were so freely imbued. The fighting spirit and the loyalty one to the other are ever present. I congratulate the hon. member. I also thank him for his efforts in his younger days on the goldfields, because I followed in his wake, and I am grateful to the pioneers for what they did in fostering the mining industry which has done so much for me and for others. Incidentally, of course, many men have suffered as a result of working in the industry.

Goldmining in a State like Western Australia has become almost indispensable to its economic life. Much has been said by various speakers about the negotiations that have taken place, and the lack of anything authentic regarding the policy to be adopted by the Commonwealth in the matter of closing or continuing the industry. Be that as it may, I cannot pardon the Government. The Minister accuses the Chamber of Mines of lacking enthusiasm. He said the Chamber of Mines was not too enthusiastic.

The Minister for Mines: I do not think I used those words at all.

Mr. MARSHALL: I do not say the Minister used those words, but that was the effect of his remarks.

The Minister for Mines: I simply gave the history as I found it.

Mr. MARSHALL: The Minister did say—and "Hansard" will bear me out—that the Chamber of Mines did not seem eager to assist or to be desirous of assisting. It did not display any outward desire.

The Minister for Mines: Quite true.

Mr. MARSHALL: Now the Minister admits it. The very thing he accuses the Chamber of Mines of I accuse the Government of. All said and done, the only value of the industry to the Chamber of Mines is what it produces for the payment of dividends to shareholders. Outside of that, the Chamber of Mines has no interest in the industry. In saying this I am not speaking in a derogatory sense, but mine managers combined to form the Chamber of Mines, and their first and foremost interest in the industry is centred in the payment of dividends. From the State point of view, however, the industry is much more valuable. It is a con-

trolling factor in the economic life of the State. It provides employment for thousands of men; it offers a ready home market for locally produced commodities and, to a large extent, for imported articles. It is one of the finest revenue-producers the State has. The figures quoted by the Premier did not show all the revenue that the industry indirectly brings to the Treasury. The goldfields have paid much towards the cost of running the railway system, and in other ways it has assisted the economic life of the State indirectly. Therefore the State has much more to consider than has the Chamber of Mines.

Consequently I regret the hesitancy on the part of the Government in making an immediate and emphatic declaration of its attitude to the Commonwealth, even though the declaration was based upon a rumour, that any attempt to close down the industry would meet with bitter hostility from the State. Had such a declaration been made, I believe that many of the negotiations that took place afterwards and many of the misunderstandings that occurred would have been cleared up quickly. Therefore I cannot exonerate the State Government from all the blame. I agree that the Premier and the Minister for Mines entered their protests and tried to get declarations from the Commonwealth, but they did not make any declaration themselves.

The Minister for Mines: Neither did the Federal Government of what it was going to do.

Mr. MARSHALL: I agree; I am not castigating the Government on that score. Having regard to the great importance of the matter to the State, there was no obligation on the Government to find out what the Chamber of Mines desired. It was a responsibility of the Government to make a declaration on the matter as it affected the State. The Government should have taken up the attitude, with certain reservations clearly expounded by the member for Nedlands, that if, after the absorption into the Army of labour from industries manufacturing non-essential goods, and after a complete regimentation of labour so available had been made, more labour was still required, we might then have considered sacrificing our mining industry. But that has not been done.

An extravagant waste of manpower can be seen everywhere in military institutions

today. I do not propose to offer any criticism on that aspect. In addition to the industries mentioned by the member for Nedlands, let me put a point that the Commonwealth itself has taken. In order of priority, the goldmining industry of Western Australia ranks with the liquor trade third on the list.

The Minister for Mines: And the opal trade.

Mr. MARSHALL: Who ever knew of a nation that won a war on liquor? I respectfully suggest that here is an industry which might be called upon to make further sacrifices before the goldmining industry is closed down. I want it to be clearly understood that in my humble judgment, whilst the Federal Government has not yet made any declaration because of the many complications which have arisen, it never will do so. Those complications are due partly to bungling of the position at the outset, which has rendered it now almost impossible for the Federal Government to make any declaration. However, I still believe that the Federal Government is intent on closing down Western Australia's goldmining industry.

There has been a misconception regarding the position. It is thought by many people, even by people in Western Australia, and possibly even by some on our goldfields, that one can close a goldmine down and after one year or two or three years or more resume operations at the point where they ceased. A person who believes that the goldmining industry is like a factory producing non-essential goods, which factory one can lock the door of and after a lapse of time unlock the door and resume operations at the point where they left off, is utterly mistaken. That can never be done with a goldmine, and the deeper the mine the more precarious the position. People who hold such mistaken views do not grasp that when one leaves a mine unattended atmospheric conditions play havoc with it—for instance, in the timber underground that supports the country and prevents it from collapsing. There is also the fact that while water rises in a mine, a re-starting of that mine would be so costly that unless it were highly valuable it never would be re-started.

All sorts of conditions apply to a mine which has ceased operations. A great deal of interference takes place underground when work is not being proceeded with and

repair work not being effectively performed; so that there are very few mines in Western Australia which if left unattended for any period will after this war recommence operations—very few indeed. The country continually creeps; and unless the timber in the mine is continually attended to the whole mine must collapse. Then it would be utterly unprofitable to recondition that mine back into production again. The deeper the mine the more remote would be the possibility, once a collapse had taken place, of reconditioning it, and bringing it into active operation once more, because of the terrific cost entailed.

The best illustration I can give members in this respect is to take that wonderful producer, the Great Fingall. The member for Greenough (Mr. Patrick) will remember that mine. Probably as a boy he played about it, slipping down the sand dump. He will well remember that mine as a wonderful gold-producer. However, due to highly inefficient or very bad management the mine ultimately closed down. At the time of the close-down it was still producing wonderful ore; but the system adopted by the management of making internal shafts—that is, underground, outside the main hauling shaft—meant so much handling of the ore before it reached the treatment plant that it became unprofitable. When we experienced a revival of the mining industry a few years ago, it was believed that the Great Fingall would be re-opened. I then said—and my prediction proved correct—that the mine would never re-open. It is approximately 3,000 feet deep on the underlay, which would mean 1,500 to 2,000 feet on the vertical. The re-opening of that mine would mean the putting-down of a shaft of about 3,000 feet for a start, in order to have 1,000 feet of backs to commence operations. Then it would be necessary to drain all the water out of the old stopings.

Mr. Patrick: The cost was estimated at a quarter of a million sterling.

Mr. MARSHALL: Anyhow, there is a positive illustration of what happens when a mine is closed down, and of the hopelessness of attempting to re-open it under such conditions. Therefore let us not be under any misapprehension as regards our mining industry when people tell us that the industry will be closed down only for the duration of the war. Nothing of the kind! With the exception of a few mines, our mining indus-

try, if not totally destroyed, would be almost gone. Most of the mines could never be re-opened.

One of the most remarkable things about those negotiations, so far as I have been able to ascertain them, is the entire departure from the excuse originally given. From what I have been able to gather, the very first reason given by the Federal Government was that as we imported many of the requisites for the successful prosecution of gold production and as shipping was scarce and these requisites could no longer be shipped to us, the industry would have to close down. Latterly we have heard nothing whatever of that reason. Then there was a rumour that the United States of America had refused to buy any more gold—a rumour which not improbably is quite true.

Mr. Patrick: What about the South African mines?

Mr. MARSHALL: Yes, and Canada! America may have told Australia that she would buy no more Australian gold. But the alleged basis for closing the industry down has been departed from. Now it is said that the Federal Government's intention is not to close down the mining industry entirely, but that no protection can be given to the industry as regards the manpower represented by those employed in it. What strikes me as being somewhat remarkable is why this particular industry was singled out, and especially placed upon an agenda paper for discussion at a conference of Premiers.

The Minister for Mines: Because we asked for it to be put there. Western Australia surely was concerned about the industry.

Mr. MARSHALL: That interjection gives me some enlightenment. I could not understand why the goldmining industry came to be specially mentioned. I asked the Minister by interjection if any other industry was to be discussed and he replied no. That made me most suspicious.

The Minister for Mines: No other industry was in the same trouble.

Mr. MARSHALL: So that particular point is cleared up. I am entirely in agreement with the member for Nedlands (Hon. N. Keenan) when he says that the Federal Government's intention very definitely is to close down the goldmining industry. I think I am correct in saying that the Kimberleys—which have only one or two small mining propositions within their borders—and all the electorates right down to Esperance in



the south, constitute about two-thirds of the total area of Western Australia. Apart from the mining industry, there is only the pastoral industry left in those districts. True, there is a little sandalwood getting and some kangaroo hunting, but these do not absorb much labour.

Apart from the value of the properties in that huge area, we shall have this sorry spectacle if the mining industry is closed down, that two-thirds of the State will have only the pastoral industry existing therein, and that industry absorbs but few workers indeed. If we follow that line of argument and consider the utterances of the member for Nedlands, and take into account the economic effect upon the commercial life of our capital city, we can see in the course of time a mere framework of the Western Australia of today.

Mr. Patrick: The result would be the release of much manpower in the city.

Mr. MARSHALL: That is what I am conveying. Very large numbers of men in the city are engaged in the manufacture of goods for use on the goldfields. The consumption of such goods is enormous.

Mr. Thorn: The goldfields represent one of our best markets for fruit and vegetables.

Mr. MARSHALL: Yes. It is a sure market and the money is ready. There is no trouble about the exchange rate, either. Unless some protection is afforded to this industry, the State of Western Australia will, as I have said, become a mere skeleton of its former self. It is dreadful to think that the Prime Minister of Australia is one of Western Australia's sons. We must accept either one view or another. Either the position is desperate, or the Prime Minister has been misled. I could not think of his agreeing to the proposal if he had before him all the facts. On the other hand, one cannot conceive of the Prime Minister's being entirely ignorant of the facts. I can but come to the conclusion that some powerful influence must be urging him and his Government to propose the discontinuance of this industry.

I pointed out when commencing my remarks that gold still maintains its value as an international unit of exchange. The country that produces gold or buys and holds gold in large quantities can usually display independence when financial relationships between one nation and another come up for discussion. A nation that holds large quantities

of gold can always settle its international accounts because of the acceptability of gold. I am beginning to fear that some undue pressure is being brought to bear to prevent the further production of gold in Australia, because Australia is one of the dominions within the Empire that has been strongly urging financial reform. If at the conclusion of the war our vaults are filled with gold, we shall be able to dictate terms just as effectively as can any other nation that produces gold and holds it in large quantities. In other words, we would not be a debtor nation internationally; we could pay our liabilities and become a free nation. That aspect has some logic in it.

The resolution in my opinion is both urgent and necessary, not merely from the point of view of this State, although its importance to the State is paramount, but from an international point of view when the war is over. If we finish up as a debtor nation and have no gold to satisfy our creditors abroad, we shall be victims of their dictation. I regret to think of what will happen, of the part Australia will play and its humiliation as a debtor nation at any peace conference. I ask members to watch that aspect of the situation closely, because though we can get along quite comfortably inside Australia without gold, Western Australia cannot afford to lose the goldmining industry, because of its vital importance to the economic, social and commercial life of this State. Apart from that there is the picture painted by the member for Mt. Magnet, the member for Hannans and others in regard to the sacrifice that must be made by the individuals taken out of the industry.

Seemingly the Federal Government believes that the goldmining industry of Western Australia is comparable with secondary industries operating in the big cities of the Eastern States. If men are taken out of factories and placed in the Army their domestic relationships are not disturbed, or at any rate not to the same extent as are those of men taken out of the goldmining industry of Western Australia. Immediately a man enlists from the goldfields in Western Australia his wife and family migrate to the city. For a woman, life on the goldfields without her partner is uncolourful, because most of the relatives of goldfields people are in the cities or seaport towns or rural areas. The Federal Government should not imagine that to take men from the gold-

mining industry for the Army does not interfere with the domestic life on the goldfields, because it does. I venture to suggest that if the principle of evacuation had not been talked about so much in recent months there would have been a bigger number of families down from the goldfields than is the case at present. As soon as the coast clears those people will return to their habitations. The wives of those who have migrated from the rural areas and other seaport towns to the goldfields in search of employment will return to their home towns when their men are called up, and the goldfields will be a mere skeleton of what they have been and an absolute injustice will have been done to Western Australia.

I do not want to go into a calculation of the sacrifices. When a man is taken from industry in the metropolitan area where his home is and where he has lived, he is asked to make the sacrifice of becoming a soldier. He loses a certain percentage of his earnings, but after years of struggle many people on the goldfields have provided themselves with a home and other amenities of life, and when the husband is taken for the Army the lot must be sacrificed. Those points have been illustrated by better speakers than I and I do not want to reiterate them. All I can say in conclusion is that it is very difficult for anyone to calculate the reflection on the economic and social life of Western Australia of the cessation of the goldmining industry. I support the motion.

**MR. KELLY** (Yilgarn - Coolgardie) [5.15]: I rise to add a few remarks to the many statements made on the motion. Having covered most of this ground a couple of weeks ago I hope I will be excused if my contribution on this occasion is not lengthy. I made a statement previously that the calamity that threatens the goldmining industry is colossal and one of extreme importance not only to Western Australia, but to the whole of the Commonwealth. Much has been said of the repercussion that the closure of the industry would have on Western Australia, but apparently the Commonwealth Government is unmindful of the fact that to a large degree its Treasury will be deprived of income which has been its for the asking for so many years. There will be a tremendous loss to Western Australia from the taxation point of view and through a

cessation of many direct and indirect charges associated with the functioning of the industry, which charges have constituted a continual flow of finance to the Treasury of this State.

Much of the criticism of the industry by the Federal authorities is the outcome of unsound thinking. There is no doubt in my mind that many of the suggestions—perhaps lightly thrown out—regarding the closure of the industry, that have been the subject of so much discussion in Western Australia and so much conjecture over the past few months and particularly during the past few weeks, have arisen wholly and solely out of the inexperience of Federal Ministers controlling the departments that today threaten the industry. There is no doubt that much of the controversy has emanated from what might be termed panic legislation. As the Minister for Mines very ably put it, Western Australia has appeared to the Federal authorities as a very choice ripe plum ready for picking in its entirety. I am concerned not only about the revenue this State has received from the goldmining industry, an industry that has been built up over the past 25 years, but also about the many people who will be thrown out of their homes and deprived of their life's savings if the industry is closed.

Those people who are now dependent on the industry constitute probably only about 40 per cent of the original numerical strength which the industry boasted. It is bad enough to think that that 40 per cent. or a good portion of them are threatened with being taken from the industry. It is equally deplorable that the 5,000 or 6,000 men who have already joined the fighting forces are, together with their dependants, to be deprived of their homes, and that all these men are to lose the opportunity to return to an industry they have known for so many years. It has been said that it is possible—I think the statement was made by Mr. Dedman himself—for men to be taken from the industry from time to time to perform certain duties which would occupy two or three months and for them then to be returned to the industry, and that operations could proceed as they did prior to their leaving. I would point out, as has already been done, that the idea of recruiting men from the mining industry, and once their job has been performed, returning them to the industry is ridiculous.

This may sound all right as a layman's idea, and apparently these ideas have emanated from laymen's minds, but to the men who know the mining industry—to the engineer and the many skilled workers employed in the industry—it is quite obvious that a drain of manpower for any length of time with the hope of bringing them back at a later date is futile and ridiculous. The mining industry is one that does not lend itself to rapid or ruthless changes in its personnel. It is beyond my comprehension how any responsible Minister could make the statement that it would be possible to interchange men in the industry in the manner indicated. I cannot imagine seeing a boggler put on to the metallurgical staff; or a machine miner revert to bogging, or any other sections of the mining industry placed in one position and then in another the next day.

The efficiency of mining generally would, under those conditions, reach a very low ebb. The production of ore would suffer considerably, and it would be but a short time before the mines would close down. We have seen the mining industry pushed from pillar to post. The position has now reached the stage when the Federal authorities are hoping that by their latest move, should there be a cessation of the industry, the onus will be taken from their shoulders, if there are any repercussions, and laid at somebody else's door. It is a most unfortunate position to be in to have to make a statement of that kind. There are many sincere men in the Federal House who are only too pleased and anxious to give credence and assistance to the smaller States. Unfortunately these men are in a weak minority.

The preponderance of expression is coming from those directly interested in the Eastern States. I do not know whether the House has been given the figures of Western Australia's production, but in case it has not I will give them. These are of fairly recent origin. The production of gold in Western Australia to date has totalled 48,186,961 ounces, to a value of nearly £255,000,000. When that is considered in relation to the total revenue received by the Treasury of Western Australia since its inauguration it shows that a little better than one-fifth of the total State revenue has been produced by the goldmining industry.

Mr. SPEAKER: Order! There is too much talking.

Mr. KELLY: Our most unforgivable crime in Western Australia is that we produce over 70 per cent. of Australia's gold output. If the gold were distributed over the other States in a similar proportion, that is that they produced 70 per cent. and we produced 30 per cent., then this question of the cessation of the goldmining industry would not have cropped up. Just recently I read an article by Mr. Morton Webber, who is reputed to be a well-known mining engineer. Whether he is or not I cannot verify, but he has certainly laid down facts in his article which are particularly applicable to Western Australian conditions. He makes this observation, among many others, that it is surprising to think that a man of Mr. Dedman's character can, after a 48 hours' visit to Western Australia, pit his knowledge and authority against that of the many engineers who have been in the country for a vast number of years.

I do not wish to delay the House by going over the ground I covered in this Chamber a couple of weeks ago. I feel that all that is being said at the present time, while I am not pessimistic over the outcome, amounts to no more than beating the air to very little effect. I assure the responsible Minister that he has my support.

MR. SAMPSON (Swan) [5.28]: I hope that as a result of this debate, more serious consideration will be given by the Federal Government to the importance of maintaining the gold industry. Those of us who have been on the goldfields, and particularly those who have had an opportunity to see dead towns in that industry—towns which once were flourishing and prosperous centres with big populations—know what a sad change is brought about when work on the mines in the district is abandoned. Those who have seen such a town never desire to see another. There is something very pathetic about it. Although a few hard-striving peppertrees may manage to exist, the ultimate end of these towns is, in most cases, certain. We have known instances where goldmining has revived. We have seen outstanding instances in Wiluna, Norseman and Coolgardie. I dare say there are others. But the condition of dead towns, such as Kookynie, and that which other centres are reaching, is always saddening. Kanowna comes back to my mind. In the old days that town had a daily

newspaper. The same applies to Malcolm and to Mt. Morgans.

One would think that ordinary consideration would have maintained these mines in production, but for some reason or another they were allowed to die out. A gold mine cannot be abandoned and then be expected to offer the same opportunities for further operations. The timbers rot, the mine becomes waterlogged, and there seems to be little if any hope of an effective revival. So it is very important that the gold mines which are showing reasonable returns should be maintained. It has been said that at a time like the present gold is of no value in the world and is not needed, but a lot of balderdash is talked on this subject, and it is not confined to those who discuss monetary reform and similar matters.

Gold has a double value—an innate and an intrinsic value. Gold is essential for the carrying out of important artistic work, work of a mechanical nature calling for the use of a metal capable of fine and delicate manipulation. In connection with bookbinding and signpainting there is use for gold leaf, and that is made from fine gold. Therefore it seems that the idea that gold is only useful in order to bring about proper exchange value and to ensure true value in the matter of purchasing power is only incidental to and is by no means the sole use for gold. Though I have not had overmuch to do with goldmining, I value the industry and know how greatly this State is indebted to it. Without the goldmining industry, our condition would be much worse than it is, though even so we have drifted into a backwater.

I trust that the Government will be able to enter such a protest and that it will be buttressed by such facts and arguments as will induce the Commonwealth to recognise that the value of the goldmining industry warrants its being maintained in this State. There can be no question regarding the importance of this subject. Western Australia would certainly be less populated than it is today were it not for the goldmining industry. Year in and year out the production of the mines in this territory has proved most heartening, and Treasurer after Treasurer has had cause to thank his lucky stars that the industry has existed. I support the motion and sincerely hope that good will follow the protest which has been raised against the withdrawal of workmen from the mines. At all events, sufficient man-

power should be allowed to continue in order to maintain the mines in working order. It would be the height of folly, shortsighted and stupid to a degree, if action taken by the Commonwealth had the effect of bringing about a cessation of operations in these mines.

**MR. F. C. L. SMITH** (Brown Hill-Ivanhoe) [5.35]: I desire to support the motion with just a few remarks because recently I had an opportunity of speaking on the same subject. I agree with the Leader of the Opposition when he said that a motion of this kind is not likely to be very effective. I would not think very highly of a Federal Government and its policy if a motion of this kind proved effective. If a Government lays down a policy, I believe it has particular reasons for so doing, and, if there is any strength at all in its composition, it will adhere to that policy. That is why I said on the previous occasion when dealing with the goldmining industry that I thought little good would come of talking about it.

In some of the speeches made here today it has been asserted that owing to the physical condition of the men working in the industry, not many will be withdrawn who are fit for military service or for the purposes of the work proposed to be done under the Allied Works Council. If that is the position, many men will still be left in the industry. All of them are undergoing a physical examination. I venture to suggest that the reverse will prove to be the case with respect to the great majority of mine workers, particularly as we have been told by the Minister for Mines that 60 per cent of them are under 45 years of age.

I support the motion with the limited knowledge I have of the reasons actuating the Federal Government. When I spoke on the subject previously, I faced up to the proposition believing that the intention of the Commonwealth in withdrawing men from the goldmining industry was for the construction of aerodromes and other defence works on a programme of the Allied Works Council, but I have now sufficient evidence from the nature of the call-up to know that the main objective in calling up men from the industry is to supply the requirements of the military services, to build up the military strength of this country, to enlist or recruit enough men to make up the

number of divisions regarded by the military authorities as sufficient to defend this country.

If that is the reason actuating the Federal Government, the men in the mining industry will not object to their services being used for that purpose, but they will be willing to render service of a defensive character in the Australian army and to assist the Federal Government to build up the military strength that General MacArthur considers necessary for the defence of Australia. They will then be prepared to co-operate with General MacArthur and the Federal Government so that it will never be possible to say that Australians in the mining areas of this State were not ready to assist and play the part they should play beside their collaborators from oversea. The majority of the men who have already been called up from the mining industry are enlisted in the military services, and I feel sure that a great many of those whom it is intended to call up will be used for a similar purpose. Therefore I consider that this question of closing down the mining industry cannot be viewed as seriously as otherwise it might be.

I agree with members who have said that it will be difficult to resuscitate the industry once it is closed down. I recollect that when this State was making strenuous advocacy of a gold bonus of £1 per ounce, numerous mining experts were going round the country stating that if we could only get that gold bonus many of the mines that were closed down would be reopened and give employment to thousands of men. I am convinced that we have had sufficient assurances from the Federal Government to entitle us to believe that at least skeleton staffs will be retained upon the main producing mines of this State to give the managements opportunity to maintain those mines in some semblance of working condition, and in a state in which they can ultimately be restarted. At the same time I realise the terrific blow that the leaving of mere skeleton staffs on our mines will mean to Western Australia's economic position.

Like other speakers I hold that everything possible should be done to search other industries for manpower before the mining industry is bled to death for that purpose. It may be of interest also to many of those on the Golden Mile today, whose ordinary occupations are threatened by this

demand for manpower, to be told that the tramway company is advertising for conductors under 45 years of age who must be able to pass the departmental doctor. Meantime the Manpower Board is hearing applications from conscientious objectors. I say to those conscientious objectors that if their objections are sufficiently conscientious to prevent them from enlisting in the military services of the Commonwealth, they could go along to the tramway company and join up as conductors. There are also other industries which could be looked into. Again, the Public Service of this State and the Public Services of other States, as the member for Nedlands (Hon. N. Keenan) has pointed out, might be explored for manpower.

The Premier: A number of men have enlisted from the Public Service of this State.

Mr. F. C. L. SMITH: I know that they have played their part, and I know that they will play a much greater part in the future. Although I advocate the exploration of those avenues for manpower, I do not for a moment seriously think that they are not already being searched. I know, as a matter of fact, that many of them are being searched.

The Premier: Many men have not waited to be searched for.

Mr. F. C. L. SMITH: And many of them were not given an opportunity to serve. I know of one man working for the tramway department as a conductor who wanted to enlist. He was a football player for Perth. He had to leave his job in order to enlist, and he sacrificed privileges to be granted to other soldiers upon their return, such as re-instatement.

The whole question of goldmining and the many calls made on manpower has been dealt with by a system that certainly is marked by great confusion. I agree with all previous speakers that according to various statements made from time to time by the Federal authorities, the goldmining industry was not to be interfered with, being regarded as an industry necessary to the war effort. The whole trouble, so far as we are concerned, seems to date from the time at which the goldmining industry was changed from No. 1 category to No. 3 in the manpower priority list. I do not know when that change was made.

The Premier: Nor does anybody else.

Mr. F. C. L. SMITH: When it was made, the goldmining industry was placed in a

category which has been described by the Manpower Board sitting in Perth as one that the Government is not only willing to allow to decline but is also willing to allow to die in the interests of the war effort. If the action of the Federal Government is ultimately discovered to be necessary, if it is taken with the best intentions to assist the war effort, I do not think there will be much resentment against it on the goldfields. At the same time, however, we are fully justified in making our protest in order adequately to safeguard the industry, if we can, against an unfair withdrawal of manpower from it as compared with other industries, while we are not in a position to discover the reasons actuating the Federal Government.

Mr. SEWARD: I move—

That the debate be adjourned.

Motion put and negatived.

MR. SEWARD (Pingelly) [5.52]: I did not wish to prolong this debate and still have no desire to do so. I cannot understand why I did not get the adjournment.

The Premier: I understood that no other member desired to speak on the motion.

Mr. SEWARD: I have an amendment which I desire to move.

The Premier: You have the opportunity.

Mr. SEWARD: I thought I might move it tomorrow, but if I must proceed tonight I will do so. I would like to say first that I was particularly struck by the very fine speeches made this afternoon by members who know infinitely more about the gold-mining industry than I do. The speeches, which were short and to the point, were some of the best I have heard in this Chamber. I have much pleasure in congratulating the speakers. Some of them referred to the effect that the closing down of the goldmining industry will have on the activities of other sections of the State, and that is the point I want to emphasise. A large consumptive section of the community will be removed from the goldfields and their removal will have an adverse effect on the primary producing section of the community. I have interviewed the railways on numerous occasions in order to try to get some alteration in the railway service in my electorate, but have been refused owing to the necessity for those trains to carry perishable primary pro-

ducts from the southern portion of the State to the goldfields.

That shows clearly how dependent are the producers of those perishable products upon the goldfields market. If the mining industry is closed down, as to which there is not the slightest doubt should the present intentions of the Commonwealth Government be carried out, it will mean that the demand for those perishable products will be gone, and of course the primary industries must suffer on that account, thus adding another factor to the already unsatisfactory position of those industries. Not only has the Commonwealth Government brought in regulations affecting the mining industry, but it has not left the banking industry alone, the result being that several banks have closed in our country centres. If, added to that loss and inconvenience, we are to lose our trade with the consumptive population of the goldfields—

The Premier: Say "consuming." The word "consumptive" sounds bad.

Mr. SEWARD: If that consuming population is lost on account of the closing down of the mining industry, the effect on the economy of the State will be terrible, so I agree with some of the previous speakers that something must be done to arrest the activities of the people in the Eastern States. I have here something that I think is well worth reading to members. It brought to my mind a visit that I paid to one of our country towns within the last 12 months. It was a terrible sight; there were vacant houses, hotels, and business places. These had not been occupied for about six months. One can easily imagine what will happen if this proposal is put into effect. The article in question depicts the scene in one of our dead goldfields towns. It is as follows:—

#### Dead Towns.

Nobody who has ever seen one of Western Australia's "dead towns" wants to have any more in this State. Scattered over our vast goldfields are pathetic places. A huge clearing over which re-growth scrub is creeping shows the size the town once was. Perhaps one great, always-empty hotel and the tumble-down ruins of a couple more also indicate that the place was once both populous and prosperous. Tramping through the grass one stumbles over crumbling kerbstones, and finds the silent railway station a mile or so from the place where the few remaining houses are clustered. And on the outskirts are decaying poppet-legs and rusted machinery that has been too heavy to shift. There are always a few old-timers still in residence who have unbounded faith.

Such as those indicated this afternoon by the member for Murchison (Mr. Marshall). The article continues—

They know that a revival will come some day, and they are full of tales about where the reef lies, and how the big company came to miss it in the years before it closed down. They literally live on hope, and there is more joy in their old eyes when they can find a listener to their stories of how the big mining men are missing an opportunity than there is when they sight colour on their own little shows. Sometimes the revival comes, as it did in Wiluna and Coolgardie, and then, of course, the wheels begin to turn again. Families flock back to pay days and prosperity, and the whole State benefits. But more often a dead town on the goldfields stays dead.

Once a mine closes, shafts fill in with water and the timber rots. Buildings fall to pieces and rust, rotten old machinery presents a scene which it takes a courageous man to face with plans for reconstruction. The few people who remain in the district help themselves to anything of value lying around, and time and weather work their destruction. Where happy families lived and children played, there are soon only lizards basking in the sun or rabbits frolicking when the moon comes out. The death of the town is probably a slow one, as the mines close one by one, and gaps begin to appear in the streets as homes are moved to happier places.

Just as we experienced only a few years ago, when no small amount of our railway revenue was derived from the removal of houses from Kalgoorlie down into the more prosperous agricultural areas. Just as surely as that happened a few years ago, it will take place again if the Commonwealth's proposal is adopted. The article continues—

But the death is generally a sure one. All this means that the proposals to end gold-mining in Australia for the duration of the war need careful consideration. Those who gain their livings from mining, whether as shareholders, officials or workers, are among the first to agree that winning the war comes first.

As has been said so often and plainly this afternoon, no one would disagree for a moment with the proposal to manpower men in the mining industry if it were absolutely necessary for war purposes. In such a case, the action would be heartily endorsed not only by every member of Parliament, but by every citizen of the State. But that position has not yet arisen, or, at all events, we have not been told of it. That again brings up the question of the necessity for a secret session. If the urgency exists for these men for military purposes, we could

have a secret session and be given that information. Then, instead of making a scapegoat of a particular member, as has been done already, we could genuinely assure the people why the men were man-powered. That would end the whole discussion.

The Premier: Who is going to give information to the secret session?

Mr. SEWARD: I presume the Premier has not got that information.

The Premier: No.

Mr. SEWARD: It is the duty of those in authority to acquaint the Premier of this State with the true position. As the Premier has not been given that information, I think we are right in saying that the situation is not such as to warrant these men being called up at the present time. If the Premier had the information and did not want it to be made public, he could call Parliament together in a secret session and acquaint members with the facts. The article continues—

That mining must be reduced seems obvious, and it has already been reduced considerably, even disastrously where some out-back properties are concerned. But its total cessation is another matter, and even its reduction past a certain point would be most dangerous. Those who hope for a "new order" after this conflict may also hope that such an order would not need gold, but there is no assurance of any new order, nor that one would do without the metal that has been the world's currency since the dark ages.

It is often stated that more money has been put into goldmines than has ever come out of them, and whether or not this is the case, it is certain that tremendous sums have been sunk in the mines of W.A. Not only money, but muscle and brains, have been expended lavishly to develop an industry which has stood by us during many lean years, and all this work cannot be allowed to go for nothing.

Wheels on the Golden Mile and more distant fields must be kept turning, perhaps more slowly than they have for the last forty years, but at least fast enough to keep them wholly free of rust and to enable them to speed up the moment the time is ripe for them to do so.

That recalls to my mind the sad spectacle I saw in the city in Victoria close to where I was born, namely Bendigo. When I was there, 30 years ago, I saw poppet-heads standing idle all over the Bendigo goldfields. Mines that were once a hive of activity were no longer in operation. Had it not been for the railway junctions and the agricul-

tural land behind it, Bendigo would have been as Coolgardie is today. That is the unfortunate part of our goldfields towns.

Mr. Sampson: Coolgardie has revived.

Mr. SEWARD: To a certain extent, but not as it was. Another aspect to which I would draw attention is this: What is to become of those workshops on the goldfields that are at present manufacturing some of our munitions? If the mines are closed down, that is the end of the workshops.

The Premier: No, they are going to extend the work in them.

Mr. SEWARD: We have today been talking about questions of taxation and revenue and expenditure. If the mining industry is closed down, the manufacture of munitions will be doubly expensive because the munitions manufacture will have to bear the whole of the expense of the establishments, whereas now it is shared with the mining industry. We have to conserve this money we are collecting from the people. Even if it is for war purposes I maintain that we cannot possibly agree to throwing it away. Unfortunately our military authorities seem to have no recognition of the necessity for getting 20s. worth of value for every pound spent. If the mining industry is closed down, either the foundries will have to be shifted to more populous places or there must be an increased cost in the manufacture of munitions.

As I said at the outset of my speech, most of the discussion has been around the question of the rightness or wrongness of closing down the industry. Not much attention has been paid to the motion, which I think should be amended in the way I have indicated. I do not know whether the motion as a whole is to be sent to the Commonwealth Government or whether a part is to be sent; but the part to which I want to refer is the concluding sentence, reading—

While fully recognising the vital needs of the war situation, we demand that the manpower position be reviewed and that a reasonable amount of labour be conserved to this most important industry, so that it may be maintained.

As has been mentioned by some other speakers, this industry is more important to this State than to the rest of Australia, and we must be careful to confine our resolution to Western Australia.

The Minister for Mines: A few lines ahead, the motion refers to the "disastrous interference with the major industry of Western Australia."

Mr. SEWARD: I noticed that.

The Premier: In the first two lines reference is made to the vital importance of the industry to this State.

Mr. SEWARD: It has to be remembered that this revision of the manpower regulations was drafted by the Minister for Labour in the Federal Parliament, Mr. Ward. He drew it up, reviewing the mining industry of the whole of Australia, and we must convince him that in this motion we are not dealing with any part of the Commonwealth except Western Australia. I therefore move the following amendment:—

That after the word "labour" the following words be inserted:—"sufficient to maintain an industry so vital to Western Australia's existence and producing a commodity still essential."

It has to be remembered that the motion refers to a "reasonable amount of labour." That of course lays the foundation for argument as to what is a reasonable amount of labour. Consequently I move to insert the words I have mentioned. Their inclusion will make our meaning absolutely clear.

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

Ayes	..	..	..	12
Noes	..	..	..	20
Majority against				8

#### AYES.

Mr. Boyle	Mr. North
Mr. Hill	Mr. Sampson
Mr. Latham	Mr. Seward
Mr. Mann	Mr. Watts
Mr. McDonald	Mr. Willmott
Mr. McLarty	Mr. Doney

(Teller.)

#### NOES

Mr. Coverley	Mr. Millington
Mr. Cross	Mr. Nulsen
Mr. Fox	Mr. Panton
Mr. J. Hegney	Mr. Rodoreda
Mr. W. Hegney	Mr. F. C. L. Smith
Mr. Hughes	Mr. Triat
Mr. Johnson	Mr. Willcock
Mr. Kelly	Mr. Wise
Mr. Leahy	Mr. Withers
Mr. Marshall	Mr. Wilson

(Teller.)

Amendment thus negatived.

Mr. WATTS: I move—

That the debate be adjourned.

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

Ayes	..	..	..	9
Noes	..	..	..	22
Majority against				13



AYES	
Mr. Boyle	Mr. Sampson
Mr. Hill	Mr. Seward
Mr. Latham	Mr. Watts
Mr. Mann	Mr. Doney
Mr. McLarty	
	(Teller.)
NOES.	
Mr. Coverley	Mr. Millington
Mr. Cross	Mr. North
Mr. Fox	Mr. Nulsen
Mr. J. Hegney	Mr. Panton
Mr. W. Hegney	Mr. F. C. L. Smith
Mr. Hughes	Mr. Triat
Mr. Johnson	Mr. Willcock
Mr. Kelly	Mr. Willmott
Mr. Leahy	Mr. Wise
Mr. Marshall	Mr. Withers
Mr. McDonald	Mr. Wilson
	(Teller.)

Motion thus negatived.

Question put and passed.

*House adjourned at 6.16 p.m.*

## Legislative Council.

*Thursday, 14th May, 1942.*

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The PRESIDENT took the Chair at 11 a.m., and read prayers.

### QUESTIONS (2)—MEAT.

*As to Imports and Stocks.*

Hon. G. B. WOOD asked the Chief Secretary: 1, Will the Minister lay on the Table of the House all papers in connection with the recent importation of meat from the Eastern States to Western Australia? 2, Will the Minister advise the House what is the total quantity of meat held in cold storage, both for export and local consumption, during each week from the 1st January, 1942, to the 1st April, 1942.

The CHIEF SECRETARY replied: 1, The member may, on request to the appropriate Minister, see the confidential telegrams which passed between State and Commonwealth authorities in this connection. 2, For national security reasons it is not advisable to give this information.

### W.A. Meat Export Company's Works.

Hon. G. B. WOOD asked the Chief Secretary: 1, Is it a fact that the Government has purchased or intends taking over the W.A. Meat Export Company's Works at Fremantle? 2, If so, will the Minister disclose the terms and conditions of such purchase or transfer? 3, If a purchase or transfer has been or is to be made, will the Government agree to the appointment of a board of management, with adequate producer representation?

The CHIEF SECRETARY replied: 1, 2, and 3, The Government has been approached by the directors of the W.A. Meat Export Company and negotiations are proceeding.

### QUESTION—CHARCOAL.

*As to Forests Department's Mills.*

Hon. W. J. MANN asked the Chief Secretary: 1, How many charcoal-producing mills have been established by the Forests Department? 2, Where are they situated? 3, What is the productive capacity of each? 4, Is it now proposed to close down any of these mills? 5, If so, for what reason? 6, Are any arrangements being made to ensure to primary producers and other users, a quantity of charcoal at least equal to the shortage that will be caused if the mills referred to cease to operate?

The CHIEF SECRETARY replied: 1, One at Dwellingup. Unemployment relief camps burning charcoal have been taken over by the Forests Department since January of this year. 2, Wooroloo, Denmark, Manjimup, Cowaramup. 3, Approximately 5 tons per week each. 4, Yes, all relief camps by the end of May. 5, The production cost greatly exceeds the selling price of the charcoal. 6, Kilns operated by the State Saw Mills at Pemberton have just come into production, and it is expected that other mills in the South-West will follow suit.

### QUESTION—SHOPS, CLOSING TIME.

Hon. C. F. BAXTER asked the Chief Secretary: When the suggestion for the earlier closing of shops was considered by the Commissioner for Railways and the Superintendent of Tramways, Ferries and Buses, did either, or both, strongly oppose such suggestion?

The CHIEF SECRETARY replied: No.