

But we must put our shoulders to the wheel and be prepared to bear that burden. Our only consolation lies in the fact that whatever the sacrifice we may make, it can never equal the sacrifice of those who have gone to fight the battles at the front, and when the world's history comes to be re-written, many prominent pages will be devoted to Australia by reason of the famous landing on the Gallipoli peninsula, pages which will be written in blood and tears. Every loyal heart knows that Australia has proved its right to be counted one of the nations of the world, and so it will be given a most prominent place when the history of the world is re-written.

On motion by Hon. H. B. Lefroy debate adjourned.

House adjourned at 5.40 p.m.

Legislative Council.

Tuesday, 3rd August, 1915.

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

PAPERS PRESENTED.

By the Colonial Secretary: 1, Education Department, annual report 1914. 2, Metropolitan Water Supply, Sewerage, and Drainage Department, by-laws. 3, Government Trading Concerns Act, balance sheets—(a) Pure milk supply, Claremont, (b) South Perth ferries, (c) Implement works. 4, Auditor General's

report State Implement Works. 5, Municipal Corporations Act, by-laws of the municipalities of Boulder, Cottesloe, Geraldton, Kalgoorlie, Midland Junction, Perth, and South Perth. 6, Roads Act, by-laws of the following roads boards:—Belmont Park, Beverley, Broad Arrow, Claremont, Cottesloe Beach, Darling Range, Gosnells, Greenough, Kalgoorlie, Katanning, Northampton, Tambellup, and Yilgarn.

QUESTION—WAR BETWEEN BRITAIN AND GERMANY, ANNIVERSARY OF DECLARATION.

Hon. J. W. KIRWAN (without notice) asked the Colonial Secretary: To-morrow being the anniversary of the declaration of war, will the Government consider the bringing of a resolution before both Houses of Parliament expressive of the desire of the people of Western Australia to place all their resources at the disposal of Great Britain during the conduct of the war, and expressive also of a determination that the war should be carried to a successful issue and that peace should not be declared until the enemies of the Empire have been thoroughly crushed?

The COLONIAL SECRETARY replied: I am not in a position to reply to that question to-day, but I hope to be by to-morrow.

QUESTION—INDUSTRIES ASSISTANCE, BERIA CONSOLS G.M. COMPANY.

Hon. R. D. McKENZIE asked the Colonial Secretary: 1, Has any financial assistance been given under the Industries Assistance Act, 1915, to the Beria Consols Gold Mining Company? 2, If so, what is the amount? 3, What is the term of the loan? 4, What rate of interest is it bearing? 5, Why was the assistance given? 6, Who are or were at the time of the granting of the loan the owners of the mine? 7, Has the loan been repaid? 8, What security do the Government hold?

The COLONIAL SECRETARY replied: 1, Yes. 2, £4,000. 3, Loan repayable by quarterly instalments of £666 13s. 4d. 4, Six per cent. 5, To enable the company to pay the balance due on goods and plant, and to keep men employed. 6, Kalgoorlie and Boulder Firewood Company, Ltd. 7, No. The instalment due has, however, been paid. 8, Registered bill of sale over two national gas engines of 220 h.p. each.

ASSENT TO BILLS.

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

1. Government Electric Works.
2. Appropriation.
3. Loan, £2,850,000.
4. Permanent Reserves.
5. Road Closure.

BILL—SUPPLY, £1,409,300.

All Stages.

Received from the Assembly and read a first time.

Standing Orders Suspension.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [4.43] moved—

That so much of the Standing Orders be suspended as is necessary to enable resolutions from the Committees of Supply and of Ways and Means to be reported and adopted on the same day on which they shall have passed those Committees, and also the passing of a Supply Bill through all its stages in one day, and to enable the business aforesaid to be entered upon and be dealt with before the Address-in-reply is adopted.

Question passed.

Second Reading.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [4.45] in moving the second reading said: This is the usual Supply Bill which comes down after the opening of Parliament each year. The

Government are asking for supplies for two months to the end of the present month, and the amount stated here represents two-twelfths of the amounts provided on the Estimates for the last financial year.

Hon. Sir E. H. WITTENOOM (North) [4.45]: The leader of the House introduces the matter in such an ordinarily matter-of-fact manner that one might think that the times were the same as they always have been, that the finances were as easy, and that the facilities for running the country in connection with moneys were of the same nature as heretofore. On the contrary, however, things are quite different. Before I proceed to discuss the Bill, I should like to apologise to you, Sir, for my absence on the occasion of the opening of the House the other day. I was unfortunately beset by a malady which was as unexpected as it was undeserved. I can only look upon it as an act of God. I always like to be present on the day of the opening of the House, if only to welcome you, Sir, back to that position in which you give such great satisfaction to all hon. members. I should also like to take this opportunity of welcoming to the House the Hon. Dr. Saw, who brings a reputation for being a very high surgeon and an eminent physician, and a thoroughly successful one at that. We can only hope that he will bring faculties of the same nature to bear upon the unfortunate finances of the State, so that he can repair them and make them as whole in body as he has often done in respect to humanity. I, therefore, have very great pleasure in welcoming him to the House, and certainly think he will make an excellent addition to our numbers. This Supply Bill, which has been submitted to the House, is not one of very great magnitude. It affords one an opportunity, however, in the present circumstances, of reviewing our financial position. Every prudent man, I have not the slightest doubt, has already reviewed his own financial position. He knows what he has to meet in connection with war expenses, and with special taxation, and, therefore, in these circumstances I am

quite certain he has given the most careful consideration to his own affairs, so that he may know how much he can spend and how much he can give away, and what he will have left to control. In these circumstances I do not think there would be any harm, or that it would be out of place, for us before we vote this money, to look into the position of the country so far as the finances are concerned, and to look the whole question fairly and squarely in the face—and please do not think that anything I may say is intended to be hostile criticism of the Government, for nothing is further from my mind, and anything I do submit to hon. members will be, as far as I know, a fact and entirely free from hostility. I understood the other day, I do not know the exact date, that the Premier, somewhere or other, said—I forget what the occasion was—that he was going to do his best, and that, instead of members indulging in carping criticism he asked them to lend him what assistance they could. I do not intend to indulge in any carping criticism. I am not aware that I can lend him a great deal of assistance, however, in any practical manner; but I hope by giving him a little advice that I will be able to contribute my small quota with the rest. Before discussing the details of the Bill, there can be no harm, I think, in reviewing the previous situation. We all remember that the Government have been in power for about four years. When they took over the reins of office they did it with a small credit balance. They have been in power now for some four years, and have spent something over 26 millions of money, of which about 16 millions constituted revenue and 10 millions loan money. This is an extremely large expenditure amongst a population of 350,000 people, and one might naturally argue, from a distribution of our wealth in such a manner, that the land was flowing with milk and honey, that there was no necessity for economy or for taking precautions, or for looking after our finances and carefully husbanding them. But what do we find after these four years? We find this huge ex-

penditure, and unfortunately we find, instead of the land flowing with milk and honey, instead of our farms being filled with plenty and our stores filled with merchandise, a large number of unemployed.

Hon. J. Cornell: They were here last year.

Hon. Sir E. H. WITTENOOM: We find there is hardly a penny in the public purse, that wages and salaries have been reduced, that food has gone up in price in all directions, that there is not a single thriving industry that we can point to, except perhaps, in some ways, the gold mining industry. We find there is hardly a contented person, and that we have a deficit of nearly one and a quarter million. These are facts, Sir. We have an expenditure of 26 millions amongst 350,000 people, and a deficit of nearly one and a quarter million. Therefore, in these circumstances, I think it behoves us to give the matter very careful consideration, and shape our future in accordance with our position. The present financial position of the State, as far as I can find it, is as follows. We owe a debt of something over 33 millions of money—that is a debt of almost £100 on the neck of every baby that is born in the State.

Hon. R. G. Ardagh: If the war lasts that will increase.

Hon. Sir E. H. WITTENOOM: That is the very reason why I am asking hon. members to think of this, and to be careful in the future. I am not criticising the actions of the Government in the past; that is gone by now. These are facts. What we have to do is to look out for the future.

Hon. J. Cornell: We can always see the road when we have travelled over it.

Hon. Sir E. H. WITTENOOM: The loan interest we are paying now is one and a quarter millions a year, and the contribution to the sinking fund must be over £250,000. These are very large obligations indeed for 350,000 people. When we come to look matters fairly and squarely in the face we naturally ask the question, "Who pays this interest and who is to pay the principal?" Who is

to be responsible for this? That also is a matter which one finds a great deal of interest in examining. The bulk of the money has been spent in public works; we know that. A very large proportion of it has been spent in industrial enterprises, which I do not think it would be wrong for me to say are, without exception, not paying. I think I am right in saying that the majority of the expenditure has been distributed and given into the hands or the pockets of the worker. A great deal of it has been spent on railways and public expenditure of one sort and another, and the worker would naturally benefit by expenditure in these directions. When we come to see who pays, who contributes towards payment of this interest on the loans and this contribution to sinking fund and to revenue, we find that the persons are limited to a very small proportion of the 350,000 people in the State, for this reason: that any person who has an income of under £200 a year pays no income tax, for he is exempt. I think it is safe to assume, also, that he pays no land tax. He pays no wheel tax, and hardly any municipal rates, or anything of that kind. Therefore, his chief expenditure in the way of revenue is through the customs.

Hon. H. Millington: A lot of unauthorised tax goes on to the shoulders of the worker.

Hon. Sir E. H. WITTENOOM: The customs revenue is all monopolised by the Federal Government. Under agreement, the Federal Government have to return to the State 25s. per head for every man, woman, and child in the State, which means something like £440,000 per annum, which is not nearly one-third of the interest on the loan fund. Therefore, hon. members will see that by the time we have subtracted all those who have incomes of £200 a year and under and most of the women—for very few women have more than £200 a year—and subtracted the number of children in addition to those, they will find that the people who have to contribute to direct taxation are in proportion to the population very

small in number. Each of these people with incomes of under £200 a year, and who pay so little taxation, have all of them the right to vote for a representative in Parliament—and I am not questioning that right in any way—who is empowered to impose taxation. They pay so little of it themselves, that I am not going to comment on that at all.

Hon. W. Kingsmill: It is needless.

Hon. Sir E. H. WITTENOOM: I may estimate, therefore, that direct taxation is paid by no more than from 30,000 to 50,000 people in this State. What I am trying to argue and point out is that in these circumstances the Government should be extremely careful indeed how they impose further taxation. In the position we are now in it is as much as we can stand.

Hon. W. Kingsmill: It has precisely the opposite effect on the Government.

Hon. Sir E. H. WITTENOOM: We find that taxation is very trying already. Western Australia is not a rich State. It is not like any of the others. I do not know any place in the world or in the Commonwealth, where wealth is so evenly distributed as it is in Western Australia. I do not believe that one could find twelve people who have incomes of over £5,000 a year in this State, and no one is considered very wealthy who has less income than that. It is all the better that it should be distributed so. At the same time my argument is that by the time we exempt people who do not pay any taxation at all, we find that the direct taxation only falls on a comparative few. The statement made the other day, I believe on the public platform, was that there were lots of rich men who did not contribute to the war funds, and that some of them had not given a penny who could have easily spared £2,000 or £3,000. I hope the gentleman who made that statement knew what he was talking about. I do not think myself it is the case. I think that the people have done as much as they could, and I very much question whether many of them could have spared such large lump sums. I address myself to the

Colonial Secretary in particular when I say that in considering further ideas of taxation or expenditure we should remember the imposition that we are to get from the Federal taxation.

Hon. J. Cornell: Now we are coming to it.

Hon. Sir E. H. WITTENOOM: We find that after a certain income not less than 25 per cent. of a man's income is taken away—not that I think it will affect Western Australia, because we have not got anybody here who would be concerned to that extent. I am not grumbling at the taxation or saying one word against it, but if we have all these things to face in addition to what we have in our own country, I say it requires most careful administration, and the handling of affairs of the country with the utmost adroitness. There has been a great deal of expenditure, and I think too much on too many Boards. Almost every other man we run across now is employed by the Government in one way or another, and in that way expenses go up to a large extent. None of the industries in which the State has embarked is paying, and I consider that under the circumstances they should be abolished. An estimate of the profits of these industries for 11 months was given as £8,019, but the actual loss was £196,000. What is the use of running industries in that way? I know that the Colonial Secretary will say, "Look at the assets, and look at the sleepers that we have." But we cannot sell them. It is the money that we want and not the sleepers. Therefore the Government should stop cutting sleepers at a loss at a time when money is wanted for other things.

Hon. J. Cornell: Like Millars'.

Hon. Sir E. H. WITTENOOM: If everyone behaved as Millars' have done, we would be well off indeed. The Premier asks for assistance and expresses the hope that there will not be any carping criticism. I am satisfied that he has a troublesome and wearisome time ahead of him, but if he is asking us to withhold our criticism we may reasonably ask him to be as economical as possible and withhold

unnecessary expenditure. If I employed a manager of a station or a mine, and he had been managing in such an extravagant way as to create a deficit, comparatively speaking as large as the one this State possesses at the present time, and I happened to find fault with him, and he said to me "Please do not interrupt me because I am ill," or "My wife has just died," I would say "Certainly not, but you must stop this extravagant management." I want to impress upon the Government in a friendly manner the desirability of not being any more extravagant than they can possibly help. I would point out again that we have a very large deficit and we have no chance whatever, as has been admitted, to borrow money now. Our finances are in anything but a satisfactory condition, and under those circumstances, I ask that the Government should use the best economy they can in connection with administration. I am of opinion now that the reason we are not getting any profits from the railways is because the administration has been faulty.

Hon. J. Cornell: Why not change the administration?

Hon. Sir E. H. WITTENOOM: Because I have nothing to do with it. We must bear in mind also that there will be a lot of Federal taxation in connection with the war. I want to point out these matters so that the people will see the position we are in and in the future, if we have to pay large sums of money, and more burdens are imposed upon us, it will not be possible for anyone to say that the position was not put clearly before the people. With these few remarks I have much pleasure in supporting the Bill.

Hon. J. J. HOLMES (North) [5.7]: I should like to make a few remarks on the Bill before the House, but before doing so I might be permitted to refer to the loss the House has sustained by the death of our late esteemed member, the Hon. D. G. Gawler, a man whom I had the pleasure of knowing for 25 years. The late Mr. Gawler was a man whom I can honestly say improved upon acquaintance. He was a man whose place in this

House it will be difficult to fill, and I cannot better describe him than to say he was one of Nature's gentlemen. We all shall miss him very much. I would also like to take the opportunity to congratulate the newly elected member for the Metropolitan-Suburban Province, Dr. Saw. If there is one man who can follow in the late Mr. Gawler's footsteps and carry out that late member's ideals, that man is Dr. Saw. With reference to the Bill before the House, probably we shall be told that we are interfering with the finances of the State and that we have no right to do so. We were told that before in connection with the War Tax Bill which was introduced by the Government last session, but if there was one action on the part of the Legislative Council which was justified it was the rejection of that Bill in the early part of last session. The money which would have been raised under that Bill would have been squandered. Money raised in that way should be devoted towards supplying munitions.

Hon. J. Cornell: And go into your pocket and the pockets of others.

Hon. J. J. HOLMES: The money would be in the hands of the people who are willing to subscribe it instead of being in the hands of an extravagant Treasurer to fritter away as he has done with all other funds committed to his care. Let not the hon. member misunderstand what I said at the commencement of the war, that if anyone can make ends meet during the continuance of the war he will have nothing to complain of. The young men who have gone to the front are doing their duty loyally and are winning the admiration of the world, and the least we can do, we who are staying at home and who are not fit for the front, is to subscribe our portion no matter how little that portion may be. What is alarming me is not only the recklessness, but the fact that no effort is being made to remedy what has been taking place. Let us take last month's Treasury figures. We find that this country has been run at a loss of £5,000 per day. That has been the excess of expenditure over rev-

enue. I presume that the Treasurer works eight hours a day, that is £600 an hour, or £10 a minute, and there is no effort to stem the drift that must carry the State on to the rocks. It is idle to talk as the Treasurer has talked in the past. The man who is earning £5 a week and is spending £6, or the man who is earning £6 and is spending £7, will be faced with difficulties sooner or later, and that is the position the Treasurer is in to-day, and he either cannot or will not see it. We are told that these are only Treasury figures and cannot be accepted as correct. Then why do not responsible Ministers tell us what the correct figures are? If they have so many thousands of sleepers worth so much, and so many implements worth so much, why do they not tell us? But if they tell us that, they must also tell us the amount of the outstanding accounts not paid in order that we may set one against the other and see what the result is. The only inference one can draw is that if they included the assets and liabilities in the statements published, the position would be made to appear even worse. It matters not to me what Government is in power. I want to see the country administered with some sort of economy during this period of difficulty and stress.

Hon. J. Cornell: What would you suggest?

Hon. J. J. HOLMES: If the Government want advice from those who are capable of giving it why do they not consult them?

Hon. R. G. Ardagh: The people said they were capable.

Hon. J. J. HOLMES: The people have made mistakes on more than one occasion, and I honestly believe that they have made a mistake this time. Nothing has been done to stem the drift that is going on, and continues to go on, and we all know that sooner or later this drift will have to be stopped, and the sooner this is done the better it will be for the Government, the community, and the State. I differ from Mr. Kirwan, who said that in these times of trouble and difficulties we should withhold criticism.

Hon. J. W. Kirwan: May I make a personal explanation. I said most distinctly that no reasonable person would at this period say that all criticism should cease, but that criticism should be based upon some alternative scheme, and that it should not be designed with the object of injuring, embarrassing, or discrediting those who have been entrusted with the reins of power by the people of this country. I think if the hon. member will read *Hansard* he will find that those are the exact words I used.

Hon. J. J. HOLMES: I thank the hon. member, but I would say that in my opinion it is the duty of every member of Parliament of this State to see that in this remote portion of the Empire our affairs are conducted in such a way that it will be possible to assist the Mother country in the difficult task it has ahead of it, that instead of allowing this State to drift into difficulties as has been done, the Government will make an effort to economise. We have to realise that we have been living on borrowed money in the past, that we have been living in a fool's paradise. If money was being earned and the country was getting value for it, it would not matter so much, but that is not the case. We have been living on borrowed money, the labourer has been getting big pay, and not earning it. Anyone who knows anything about living on what they can produce must know that money must be earned first and they must live on it afterwards. That is the problem we are up against in this State. We must live on what they produce and not on what we borrow. The Government must know this. If there is any set of men in the community who ought to know it, it is the Government. The Government should and do know it. But what do they propose? Simply to allow us to continue to drift on the off-chance of something turning up. I am not a pessimist but I confess that I cannot see daylight ahead so far as the administration of the affairs of this State is concerned, and I do not think the Government can either. If they cannot, and do not care, then it is the duty of hon. members to

point out the position and see that some thing is done to rectify the errors of the past. I said the Government had done nothing but allow things to drift. The Government have done something; they have put up the railway freights and reduced the hours and pay of civil servants. The effect of the increase in freights is certainly not reflected in the financial statement before us, and the reduction of salaries has not had any appreciable effect. The Government's proposal to meet the problem besetting the country could have emanated only from one source, and that is in the vicinity of the institution at Claremont controlled by the Inspector General of the Insane. How any set of commonsense men could expect to bring about any appreciable reform or economy by turning the civil servants adrift in the streets one day a week and closing the offices to the inconvenience of the public, I do not know. Such a monstrous proposition never emanated from any body of reasonable men before.

Hon. J. Cornell: What would you have done?

Hon. J. J. HOLMES: The Government should have said to the young men in the departments, the men who have no obligations, "This State has no need for your services just now but the Empire will be glad of them"; and to the older men they should have said, "We are passing through difficult times; we do not propose to interfere with your pay but we do expect you to speed up and do more work for the same amount of money." If the Government had handled the civil service problem like that, they would have done some good both for the State and for the Empire.

Hon. R. G. Ardagh: And swelled the unemployed.

Hon. W. Kingsmill: They have been swelled with free meals for some months past.

Hon. J. J. HOLMES: If there are young men in the State capable and fit of going to the front, they deserve to be unemployed.

Hon. J. Cornell: Does the hon. member favour conscription?

Hon. J. J. HOLMES: Yes, I do.

Hon. J. Cornell: Then you would have to go yourself.

Hon. J. J. HOLMES: One has only to go along the streets to-day to find justification for the introduction of conscription. There are men at the hotel corners stopping beers, if I might so express it, when they ought to be at the front stopping bullets. Those are the men whom I would put in the front rank, in order that they might realise their obligations to their country. We are entitled to know the true position of the finances of this State and we are also entitled to know what the Government propose to do in the future. We are told that we cannot borrow money, and the Government realise that we cannot further tax the people of this State at the present juncture.

Hon. J. Cornell: You will take care of that.

Hon. J. J. HOLMES: No; let the Federal Parliament impose whatever taxation they like. No man has a right at this stage to be making profits and putting sovereigns aside. Those who stay at home should give a reasonable quota of their savings, in fact it is not too much to ask for the whole lot, in order to keep our men at the front supplied with munitions and necessities. I will not touch upon the State trading concerns, but will leave that subject until the debate on the Address-in-reply. However, I wish it to be understood that I am not opposed to State trading concerns. I have always taken up the position that when a monopoly exists—and monopolies have existed in this State, and the Government started out with an honest desire to cope with them—when a monopoly exists, whether in the steamship companies or in the machinery companies, I do not care what company or combine, it is the clear duty of the Government to step in and relieve the people of the difficulties besetting them in consequence of the combination. That is the position I have taken up all along, but the least we can expect is that when these State enterprises are embarked upon,

they shall be conducted in a businesslike manner. We are the shareholders in these concerns and we should be told exactly what is going on, in order to enable us to form an opinion whether their continuation is justified or not. The points I have mentioned may be considered to be trifles in the large financial minds of the Treasurer and those associated with him, but such small matters show exactly what has been happening. In any concern with which I am associated, if I find small matters being neglected, the inference I draw is that big matters are also being neglected, and allowed to drift. I do not wish to be thought an alarmist in regard to the future of Western Australia, or of Australia. Given seasons such as this, there is nothing to keep Australia back, but Australia must realise that she is not living for herself to-day, but that she is a portion of the Empire and that the Empire is at present struggling for its existence; and the affairs of this portion of the Empire must be conducted in such a manner that we shall be of assistance to the Empire instead of a drain upon it as we must be if we allow the financial affairs to drift on in the careless and reckless manner of the last few years.

Hon. J. CORNELL (South) [5.22]: The speeches delivered have come as somewhat of a surprise. Evidently the two hon. members who have spoken came here prepared. Their attitude on the Supply Bill is something new during my experience in this Chamber. Never before have I heard any discussion of the kind on a Supply Bill. Sir Edward Wittenoom said the Premier had stated that the present is not the time to indulge in carping criticism. I agree with that, and I wish he agreed with it also. The hon. member said the times warranted his criticism.

Hon. Sir E. H. Wittenoom: I did not say anything of the sort.

Hon. J. CORNELL: In normal times no criticism was advanced though it was said that the ship of State was drifting, but at the very inception of this session hon. members, though stating that they

have no desire to indulge in carping criticism, are the first to sound a discordant note. Mr. Holmes went so far as to say that the members of the Government were fit subjects for the Hospital for the Insane. From those remarks I gained a cue as to the reasons which prompted him to utter them. The hon. member must have passed that institution, and if he continues to pass it he will probably soon be asked to go inside. Regarding the question of the increased railway freights, and the reduction of hours of civil servants, both hon. members have said the Government should do something to stem the drift. Both of them have said that the present is not the time to impose further taxation. They will see to that. But immediately the Government endeavour to stem the drift by the only available source open to them, by asking the community to pay more for services rendered, the hon. gentlemen say that this should not be done. Mr. Holmes has said that the reduction of civil servants' hours and the closing of the offices has caused public inconvenience. I can claim to be a public man, and I say that I have felt no inconvenience through the closing of the public offices. The hon. member said he would have quietly reminded the younger men that the Empire needed them, and he would have gone so far as to say that there was no work for them, so that the Empire might have the benefit of their services. That is not a proper attitude to adopt. If we are going to pin our faith to the voluntary system, we should not deprive workers of their means of subsistence in order to force them to go to the front. The hon. member said he would have asked the older men to speed up and do more work. This is an inference that those in the civil service are not earning their pay. I can place no other construction on that remark. If such were the case, and a method of speeding up reduced the strength of the civil service, the number of unemployed would have been increased. I am giving the other side of the picture which I endeavour to represent in this House. The State owes a duty and an obligation to its citizens, namely to provide the

wherewithal for means of subsistence for them. To suggest turning them out into the streets among the unemployed does not savour of statesmanship. It is a very narrow view to take. The hon. member said he would favour conscription. I am glad I got that admission from him. I am pleased to know that he is following in the footsteps of that great advocate of conscription in England, Lord Northcliffe, but I am pleased to say, on first hand information from England, that Lord Northcliffe has just about as much chance of getting conscription carried in England as the hon. Mr. Holmes has in Western Australia.

Hon. J. J. Holmes: You asked me my opinion and got it.

Hon. J. CORNELL: I would favour conscription under the present exceptional circumstances for this reason, and this alone, that we are out to win and must win, and that under conscription every person physically fit to serve has to serve, irrespective of his position or avocation in life. Had conscription been adopted in England we would not have been reading remarks such as that by Lord St. David regarding blue-blooded aristocracy who were hanging around hotels and music halls, and had never done a day's work in their lives.

Hon. W. Patrick: It is not true.

Hon. A. G. Jenkins: No one but a cur would say such a thing.

Hon. J. CORNELL: A peer of the realm has said it, and I can produce to this House authority to show that the working classes of England have supplied men for Kitchener's army in the ratio of 24 to one, as compared with the middle and upper classes. Of course, their numbers are the greatest, but that is the reason why I favour conscription—because irrespective of rank or creed or class, all men have to come forward when duty calls. If conscription were in existence here in Australia to-day, probably we would get rid of a few politicians. A good deal has been said by both hon. members in the way of giving their benediction to the proposed Federal taxation. I thank them not one iota for their benedictions. One hon. member in particular

will be called upon to subscribe fairly substantially, but the benediction of neither amounts to anything more than what is expressed in the old phrase, which still holds good, that "needs must when the devil drives." There is no Upper House in the Federal Parliament.

Hon. H. P. Colebatch: No Upper House in the Federal Parliament?

Hon. J. CORNELL: Not such as this Upper House. There is just one other phase of the question I desire to touch upon. This was brought into the debate by Mr. Holmes. The point is that business-men should not be making profits to-day, but should be satisfied with making ends meet. That, however, is not the position which obtains. I say without fear of contradiction, or I will invite contradiction, that not only here in Western Australia, and not only in Australasia, but in the heart of the British Empire itself, that spirit of patriotism which should characterise every individual is not observable. Records can be produced and official documents can be brought forward which go to prove that the coal owners of Great Britain to-day are making to the extent of 300 per cent. profit. Even though war was declared last August, with nine months of war in their financial year, the coal owners have derived profits more than double those which they gained in a normal year.

Hon. J. Duffell: There was a strike of coal miners.

Hon. J. CORNELL: It is said that the coal miners struck, but I contend that the coal miners had been backed up by men in positions higher and more influential than my own. While the other fellow was making gigantic profits, then, if the nation did not intend to earmark those profits, the miner had a right to ask to participate in those profits, and this quite irrespective of whether or not the cost of living had risen. However, the cost of living has increased in Great Britain by 35 per cent. The attitude of the coal miners can be thoroughly justified.

Hon. C. McKenzie: The result was that their mates were murdered in the trenches.

Hon. J. CORNELL: I will retort by saying that the mates of the men in the trenches were murdered in the heart of the Empire, starved to death—

The PRESIDENT: The question before the House is the Supply Bill.

Hon. J. CORNELL: I have no desire to speak further, except to say that if hon. members are prepared to adopt a reasonable attitude I am prepared to assist them. If, however, they are only prepared to come forward as Sir Edward Wittenoom and Mr. Holmes have done to-day, giving a lot of piety and very little good advice on behalf of the section of the community which they represent, then I will stand up and endeavour to voice the feelings of that section of the community which sent me to this House.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central—in reply) [5.35]: I do not propose to delay the House. Nearly the whole of the speeches delivered on this Bill have had no bearing whatever upon the measure. As regards the utterances of Sir Edward Wittenoom and Mr. Holmes, those gentlemen made general statements to which it would be impossible for me to reply, and I do not intend to attempt the task. Those hon. members made general accusations. Why could they not be specific? Sir Edward Wittenoom did make one specific statement. He said that the Government, since they had been in power, had spent 26 millions of money, and that a large proportion of this money had been expended in socialistic enterprises. If that is not carping criticism, it is unfair and unjust criticism to say that a large proportion of the 26 millions of money—if 26 millions have been spent—has been laid out in socialistic enterprises. The total expenditure on socialistic enterprises has been £325,000. But say that the amount was half a million. Even if it were half a million, which it is not, that amount would not represent a large proportion of 26 millions of money.

Hon. Sir E. H. Wittenoom (in explanation): I would like to correct the Minister. I said the bulk of the money had been spent on public works and a

large proportion in industrial enterprises, if my memory serves me rightly.

The COLONIAL SECRETARY: So long as we understand what the hon. gentleman intended to say, that is all right. If he meant that a large proportion was spent on industrial enterprises he is not far wrong; but if he intended to convey that a large proportion of this money was spent in socialistic enterprises he is very far wrong.

Hon. Sir E. H. Wittenoom: I did not say that.

The COLONIAL SECRETARY: I am glad the hon. member has made his meaning clear, because this House has approved of almost every proposal put before it by the present Government, with the exception of State enterprises to the extent of something like £350,000. A majority of this House did offer strong objection to the course taken by the Government in that connection. But with regard to the expenditure of the balance of the money there has never been any adverse comment from members of this House, except as regards the purchase of the Perth tramway system. That transaction was strongly opposed by Mr. Colebatch and other members of this Chamber, but a majority of members of this House supported the purchase. Again, Sir Edward Wittenoom made a complaint about the number of boards appointed by the Government. I daresay he was referring to the boards appointed under the measures which were placed upon the statute-book last session. Now, so far as my memory serves me, Sir Edward Wittenoom raised no objection whatever to the administration of those measures by boards.

Hon. Sir E. H. Wittenoom: Because the Government said they wanted the boards.

The COLONIAL SECRETARY: At all events, it was the general opinion of this House that boards should administer those measures. That was the opinion held generally in both branches of the Legislature, and the Government fell in with the views of the leader of the Op-

position, as well as consulting members of both Houses in regard to the matter.

Question put and passed.

Bill read a second time.

In Committee, etcetera.

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

Read a third time, and *passed*.

ADDRESS-IN-REPLY.

Second Day.

Debate resumed from the 29th July.

Hon. H. P. COLEBATCH (East) [5.42]: I should like to thank the Colonial Secretary for, to my mind at all events, the really admirable manner in which he expressed the feelings of the whole of the members of this House in regard to those members and ex-members who passed away during the recess. The hon. gentleman's remarks, supplemented as they were by other hon. members, including yourself, Mr. President, expressed as ably as they could be expressed the feelings of every hon. member, and I think, so far as I am concerned, that it is only necessary to express my own deep sense of gratitude to the late Hon. D. G. Gawler for many courtesies and kindnesses extended to me, as they were extended, I am sure, to all members of this Chamber. Now, in speaking to the Address-in-reply, I cannot but agree entirely with the remarks of Mr. Kirwan as regards the nature of the criticism that it is proper to indulge in at a time such as this. But I recognise the great difficulty there is in the minds of some people in distinguishing between what constitutes legitimate criticism, and what they call carping criticism, and party criticism, and that sort of thing. For my part, I think that, just as there is no treason so rank as that committed in the face of the enemy, so there is no administrative error so rank as that committed at a time of the country's emergency. I do not believe that the members of the present Government would take up any other attitude than this. I think they are manly enough to

submit to reasonable criticism, and I think the attitude which they would take up is this: whereas in normal times mistakes might pass with little notice, because the results would not be serious, in times like the present it is incumbent upon every public man to ventilate anything that he considers detrimental to the State, because our position is such that the State cannot afford that those in high places should make mistakes. For that reason, whether I may be misunderstood or not, I do not intend to forego my right of criticism of public actions which I think are contrary to the best interests of this State of Western Australia. Already in exercising what I believe to be my right, in doing what I believe to be my duty, although I have never on any occasion descended to personalities but have always stuck to actual facts, yet my action has not been treated in the same way. I have been accused of the meanest and most paltry motives, accused not only by persons in another place, from whom, perhaps, I have no right to expect anything different, but even by the leader of this House. Fortunately, I am in a position where I can afford to treat insinuations and charges of that kind with the contempt which they deserve from every citizen. I am also entirely in accord with Mr. Kirwan that there is a great deal that members of this House, and members of another place, can do outside Parliament at the present time, and I think that it is a pity that the honourable member should not endeavour to use his influence with those he supports in politics—an independent support—in order that members of Parliament and others should be freer to carry out that work outside. I commend the honourable member, especially for the motion which he suggested this afternoon, that the Government should carry to-morrow. But what do we find? We find that the Federal Government are insisting, notwithstanding the present situation of affairs throughout the Empire, in disturbing and creating party strife by calling on the people of Australia to take a referendum in regard to the alteration of the constitution, a matter which vitally affects the interests of all the

States. And we further find that the class policy of preference to unionists is being pressed to a greater extremity than ever before. Not only do we find that Federal ministers who claim that they have received a mandate from the people to carry out this policy, but we find the same thing in State affairs. I have a copy of a letter received last month by a timber cutter on this matter. The letter reads as follows:—

From information received I learn that you are in the employ of the State Saw Mills Department, but your name does not appear on our books as a unionist. Therefore, I desire to remind you that in the event of the State Saw Mills Department reducing the number of cutters now in their employ, and owing to the fact of there being a number of non-unionists employed, I intend exercising every endeavour to protect the members of our union or get them employment elsewhere. If you wish to join the A.T.W.U. the entrance fee is 1s., and 2s. 3d. per month, 6s. 6d. a quarter, 12s. per half-year, and £1 2s. 6d. per year.—Yours faithfully, Tom Naughton, general secretary.

So that we find men engaged under the State Government receiving threatening letters from secretaries of unions. "From information received" he says. I do not know how he has received that information. I do not know if the secretary of a union has the right to overlook the pay sheets.

Hon. J. Cornell: He finds out from other men at work I suppose.

Hon. H. P. COLEBATCH: I do not know how he finds it out, but he is told that unless he subscribes to party funds efforts will be made to prevent his being continued in employment.

Hon. W. Kingsmill: Irrespective of merits.

Hon. H. P. COLEBATCH: Quite so. So long as this sort of thing goes on it is impossible that all sections of the community should work in that accord that ought to characterise the British community at the present time. When Mr. Kirwan was moving the motion for the Address-in-reply he frequently asked

of those who opposed the policy of the Government which of the State trading concerns they would close down. I did not at that time reply to the honourable member because it would have been rude and it was not right to make the reply then, but I took a note of his question and I propose to give an answer to the question. If the Liberal party were in power which of the State trading concerns would they close up? That is a very fashionable question on the part of the supporters of the Labour party. I can imagine the case of a young man, impecunious and with a very small earning capacity taking to himself as a wife a girl equally impecunious and of extravagant habits and uncertain temper. It is a sure thing that within twelve months the young man would go to his older friends and ask, "What would you do?" It would be an awkward question to answer, but at the present time you would say, "Young man, go to the front." Take as another illustration our Perth tramway system to which the Colonial Secretary has referred. At the present time the Government are spending a large amount of money in repairs and renewals to the Perth tramways. Mr. Kirwan might say to me, "Would you not do that if the Liberals were in power; would you not place the Tramways in a proper condition?" My reply to that is, "You have purchased the traniways and you must spend the money." The fact remains that the tramways have been purchased against the advice of persons who knew and they have been purchased for half a million of money when to-day they are not worth a quarter of a million. And to-day we are asked by honourable members which trading concerns we would close up. We know the Government have taken good care that nobody outside should have an opportunity of knowing what is being done as to these trading undertakings. I am not in a position to say whether I would advocate the insuring of the State steamers and then the burning of them because from the balance sheets we get no idea of the state of affairs, but what

any Government, liberal or labour, ought to do is to provide the people of the State, who are the shareholders, with precise information regarding all these trading concerns. I will go further and say this, instead of pursuing the present policy of the Labour Government and getting deeper and deeper into the mire, the policy of any reasonable Government should be to try and find the cheapest way out. I do not say whether it would be wise to at once stop this work or that work, but it should be their business to find the way out instead of getting deeper and deeper into the mire. Sir Edward Wittenoom this afternoon quoted some figures as to the exact positions of the trading concerns during the first eleven months of the financial year. Since those figures were compiled the twelve months have been completed. On the 22nd December last year, at a time when the prevailing circumstances of the war and the drought had been established, the Premier submitted to Parliament the estimates of the trading concerns and the Premier then promised Parliament that there would be a surplus on these undertakings of £8,019. The ferries for instance were to return £10,258. The hotels were to return a surplus of £6,779. The steamships were expected to provide a deficit of £12,200. Implements were expected to show a deficit of £16,866. Sawmills were to show a surplus of £18,050, and the brickworks a surplus of £1,500, and quarries £500, showing a general surplus of £8,019. That estimate was submitted to Parliament on the 22nd December, 1914, when half the year had expired and the prevailing conditions were fully known. Instead of that surplus of £8,019 the year closed with an actual deficit of £178,874 on these undertakings. On the 22nd December, 1914, the Premier should have known pretty well what he would get in and he told Parliament that he would get a surplus of £8,000 from Government trading concerns more than the amount he paid out, but he paid

out £178,874 more than he got in. When we go on to July we find these sawmills, which in the financial year ending 30th June last were supposed to return a profit of £18,000 but actually showing a loss of £108,000, in the month of July had a deficit of £25,000, that is close upon £1,000 a day for each working day. Then we are told that this is not a loss because there are the accumulated sleepers. That may be, but assuming that it is so, in the state of the Government finances is it wise that the Government should go on spending money accumulating a large stock of railway sleepers in excess of immediate demands? The sawmills were established at a cost of £200,000, perhaps more, and they were established primarily for the purpose of supplying sleepers for the Trans-Australian railway. I take it that these sleepers have been supplied and paid for and the contracts have now terminated. Still we are faced with a deficit and this deficit has been brought about during the time the contract was being fulfilled for the purpose of which these sawmills were erected. What is to be done now those contracts have been completed? If, during the time the State Government is carrying out a big contract for which they considered they were justified in establishing the sawmills they make a loss of £100,000, how shall we get on when there are none of these contracts going? That should be a sufficient answer surely to the honourable member. Surely the State sawmills is one of the things that might be shut up at once. In addition to the Treasurer's figures, we have certain balance sheets, but these balance sheets were published so long after the period dealt with as to be robbed of all interest and value. Only the other day we were supplied with a balance sheet of the State Implement Works for the period ended 30th June, 1914. This interesting balance sheet is 13 months old and shows an actual loss on the operations for the year. That is perhaps not surprising in view of the fact that it was the first year of operations, although there is a general tendency in regard to Government trading

concerns that the longer they are running the bigger is the loss. This balance sheet was submitted to the Auditor General and he, commenting on it, makes remarks such as this. He says—

The particulars necessary to enable a check to be made of the allocation of these purchases were not supplied. He practically says, "These are the figures. Whether they are right or not I do not know." He goes on—

Stock on hand, £18,776 0s. 7d.—A certificate was given on the stock sheets that the stock was at cost. The check disclosed that every item of completed implements, or of implement parts where the selling price could be obtained, was at that price, and further, that certain pipes were valued at a figure more than double the selling price.

Although the certificates said it was at cost. The report continues—

A satisfactory explanation not being forthcoming, the sheets were sent back to the department for amendment. Soon after the amended sheets were returned they were again obtained by the department, and have not since been seen. I am informed that they have been mislaid.

That is the sort of balance sheet on which the public are asked to arrive at a decision as to the working of the venture. The figures not checked and, where checked, entirely wrong and, finally, documents on which the balance sheet has been founded mislaid. Then he goes on—

As no complete list of selling prices of implement parts was available at the time stock sheets were held by me I did not, except as regards harvester parts, check this in any way. The items of harvester parts were found to be at selling price as stated.

Although the certificates said they were at cost. He proceeds—

I have seen no figures to show what the 10 per cent. represents, namely, whether it includes selling expenses in addition to profits, or to enable its approximate accuracy to be ascertained.

Then he goes on to relate the different items, and declares there was nothing to guide him as to whether the figures were approximately accurate or not. He then continues—

It is impossible to say whether the cost book figures are approximately accurate or not. In the absence of cost records enabling the cost of stock in hand to be ascertained with approximate accuracy, the valuation of stock which, in view of the large amount involved must have a considerable effect on the result of the profit and loss account, will always be unsatisfactory. I have not been supplied with the sheets upon which stock was originally taken, nor any certificates from the persons actually taking stock, and I have not been able to obtain any definite information as to who took stock.

That is the sort of thing we come across in every one of these balance sheets. The Auditor General's remarks on the balance sheet for the State Sawmills, submitted after the conclusion of last session, were just as scathing as they are in regard to the State Implements Works, and though it is a hard thing to say I think it is justifiable to assert that if the people responsible for the preparation of these balance sheets were in the position of directors of public companies they would not be long before finding themselves in the criminal dock for issuing false balance sheets. The people of the State are entitled to an absolutely true and genuine balance sheet in reference to each of these State trading concerns, and on the authority of the Auditor General we are not getting that. Until we do it is idle for the apologists of the Government to ask, if the Liberals were in power which of these concerns they would close down. If the Liberals were in power the first thing to be done would be to give to the public a reliable balance sheet, and secondly to determine the cheapest and best way out of a muddle that cannot be got out of without serious loss to the State. Again, we had from the hon. member the question, would the Liberal party close down the freezing

works? I leave the answer to that question to those better able than I to deal with it. A more pertinent question would be, what are the Government doing in regard to the freezing works? Does the hon. member who put this question know what the Government are doing in regard to the freezing works? Does he know what they propose to do? Does he know that it is common talk in the street, and has never been contradicted by the Government, that what the Government did was to let a contract to private individuals, without any competition and in opposition to the Government's advisers, and that having done this the Government cancelled that contract at the dictation of the Labour caucus? Not, I understand, that the contract was contrary to the best interests of the State, but because it was contrary to the policy of the party which has pronounced for day labour in preference to contract. When the hon. member asked that question was he aware of what the Government had done? Was he aware that what I say is common talk about the City and has never been contradicted? If it is untrue I hope the Colonial Secretary will deny it. However, the positive statement which one hears in the street is that, having been compelled by caucus to cancel the contract, the Government had to go to the private contractor and make the best terms possible to get out of the contract, and that those terms included the payment of compensation for cancellation of the contract of £7,500 sterling. If this is not correct I hope it will be denied by the Colonial Secretary. Most members must have heard it. I have heard it, not as a rumour, but as a positive statement of fact.

Hon. R. G. Ardagh: It is not correct.

Hon. H. P. COLEBATCH: If the Colonial Secretary can deny it I hope he will do so. It is said that £7,500 was paid to this private contractor for the cancellation of the contract. Most certainly a state of affairs such as this should not be allowed to exist.

Hon. J. W. Kirwan: Where did the hon. member get his alleged facts?

Hon. H. P. COLEBATCH: It is common talk in the City, and I am merely repeating it. If it is wrong I hope it will be contradicted. In any case the Government should have made the facts public. If any rumours detrimental to the Government in regard to this matter have got about it is their own fault entirely. I do not hesitate to repeat the rumours here, because I say that if the Government bottle up things of importance and make secret contracts and then secretly cancel those contracts, paying compensation therefor, they are inviting trouble. And I understand this is not the first time the Government have secretly cancelled contracts and paid compensation.

Hon. W. Kingsmill: Some of the contracts have not been cancelled; the power-lising contract for instance.

Hon. H. P. COLEBATCH: It has been said in regard to the State Sawmills that to stop them would mean throwing a lot of men out of employment. I wish the people could get rid of the economic fallacy that it is a good thing to employ men on useless work. As a matter of fact there is any amount of employment offering in this country. The Government have any amount of work in hand for providing employment, and the money spent on these sawmills would have been just as well spent on those other works. The £200,000 now represented by unsaleable sleepers and machinery, if represented at all, could have been used in giving employment in different parts of the State in developmental work in a way permanently beneficial to the country. I do not know whether I should mention so delicate a matter without apology to the hon. member but, strange to relate, Mr. Kirwan in the course of his speech said nothing whatever about the Esperance railway. Whilst it is entirely profitless to the country and to the wage-earners for the Government to be losing hundreds of thousands of pounds on entirely unnecessary work, it would have been very profitable if the money had been spent on developmental undertakings for which the Government had received Parliamen-

tary sanction. It is thus I am reminded of the Esperance railway; because a few weeks ago the Premier, at Kalgoorlie, said the material for the Esperance railway had been ordered, and that the work was to be pushed on with almost immediately. And just at the very time that announcement was made the men employed on the construction of agricultural railways in other parts of the State were paid off and sent about their business. Not a few of them came down to Perth to have a holiday for a few weeks prior to going on to the Esperance line. Of those railways which appear to have been abandoned three are in the province I represent. One of them is the Kondinin railway. If ever there was a cruelty put on any community it was the further holding up of the construction of that line. Those people were treated in a shameful fashion three or four years ago when the Government diverted the railway passed by Parliament; and a very definite promise was made that those people should be served by this particular extension. Whether it is to be put through or not I hope the Colonial Secretary will tell us for the sake of those settlers. Now, they say, the railway is hung up and there is no prospect of getting it through in time for next harvest. Another railway similarly treated is that to Mt. Marshall, only 22 miles of which remains to be completed. But it is hung up. There are 14,000 acres of crop in the district. People have been encouraged to plant, and have been assisted by the Industries Assistance Board to get their crops in. Now if they are to be left without a railway, not only are they going to lose, but the Industries Assistance Board is not going to get its money back. If they did not intend to get this railway through before harvest they should not have encouraged those people as they did; but they did encourage them and now the railway seemed to be delayed. It would have been far better to have constructed those two railways and so allowed the farmers to get the benefit of their harvest and the Industries Assistance Board to get its money back. The third railway is the Bolgart extension. The men were

paid off from that line just at the time the Premier made his announcement in regard to the Esperance railway. The Bolgart line was passed in December 1912, and the Minister for Works in introducing the Bill in another place said—

The settlement there is very old, and the people have been struggling under adverse circumstances inasmuch as they have had to cart their produce a long distance in order to get to the market. We feel that it is a portion of the country well worthy of special consideration in the shape of railway facilities.

That was two and a-half years ago, before any of the present trouble was upon us, when the Government were able to borrow as they liked. The "special consideration" given is that during the last 2½ years occasional little bands of men have been employed on earthworks along the line; and now to-day they have been paid off and sent about their business, and there is no guarantee that the railway will be finished for the coming harvest. Is it a fact, as stated by the Premier, that the Government have obtained a supply of material necessary for the Esperance railway and are going to construct it at once? If so, is the Esperance railway to be given preference over those three railways which I have mentioned, and others in other parts of the State which I have not spoken of because I have no personal knowledge of them. I ask the Colonial Secretary to answer this question and, before doing so, to refer to the pages of *Hansard* of last session, where he will find himself reported as having said this:—

Hon. members have asked for an assurance from the Government that this line will not take precedence over other railways. The position is that every railway already authorised by Parliament is in course of construction.

And that statement included those railways to which I have referred. The Minister proceeded—

There is one exception, a line passed three or four weeks ago, and the Government are making every possible pre-

paration to get an early start with that in order to provide work for men rendered idle by the completion of other railways. Therefore no assurance from the Government is necessary, for it is essential that the Government should carry on railway construction within easy reach of the capital at the present crisis in order to provide work for the unemployed. It is not likely that in order to undertake the construction of the Esperance railway they will abandon lines already commenced.

Then by way of interjection the question was put to him: "In what order are the railways to be constructed?" And the Colonial Secretary answered—

In whatever order suits the Government. But that cannot apply adversely to any hon. member representing a district in which a railway is already under construction, because once a railway is under construction it is likely to be proceeded with in accordance with practice.

And so, over and over again, we had these assertions from the Colonial Secretary that preference would not be given to the Esperance railway over those agricultural lines already under construction. I would like some reassuring statement to be given to the people dependent on these agricultural railways.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. H. P. COLEBATCH: In regard to the three agricultural railways that I have mentioned the railways were promised, and should have been there in time for the carting out of the crop requirements in the shape of seed, etc. The present fear is that those railways will not be there in time to take away the product. I hope the Colonial Secretary, when he comes to reply, will be able to reassure us upon that point. Unless he is able to do so, there will be a very bitter feeling indeed in regard to the whole matter. It is a certainty that the crops will not be as payable as they were expected to be. We must not overlook the fact that the putting in of the crop this season is unusually costly,

and we cannot with reason anticipate the exorbitant prices that at one time seemed possible. It is indeed unlikely that the farmers will get any extravagant prices for their wheat this season. It is impossible that they will get prices sufficient to recoup them for the heavy expenditure they would have to incur in the carting of their wheat over long distances owing to the fact that the promised railways have not been completed. Particularly will there be bitterness shown if these railways that I have mentioned are hung up and the promise of the Premier to the people of Kalgoorlie is kept, namely, that the Esperance railway will be gone on with. I wish to refer to another short extract from some remarks made by the Colonial Secretary. An attempt was made to insert a clause in the Esperance Railway Bill compelling the Government to build these railways I have mentioned, and one or two others, before the Esperance railway was started. The attempt to insert this clause had no sympathy or support from me. The Colonial Secretary said—

The clause is altogether out of place.

Every line that has already been authorised by the House, with two exceptions, is under construction, and will be continued, although Mr. Sommers says "the Government may abandon the work of construction of these lines, in favour of the Esperance railway." That is, of course, perfectly ridiculous.

I trust we shall have a complete reassurance in regard to the construction of these lines. I would like to say this last word about the Esperance railway, namely, that this House and another place were not treated fairly when that proposal was presented to Parliament last year. The strong argument used in favour of the construction of the line was the supposed fact that whilst other agricultural districts in the State had failed, or practically failed, so far as the harvest was concerned, the harvest at Esperance had been, comparatively speaking, a success. We were told that the wheat average for the Esperance district

was 5.8 bushels to the acre. This statement was made to us in January of the present year, and late in that month, when the harvest had been reaped, and when the actual results should have been known to those who were responsible for advocating the construction of this Esperance line. As a matter of fact, the actual results of the Esperance harvest showed a return of not more than $2\frac{1}{2}$ bushels of wheat to the acre.

Hon. J. Cornell interjected.

Hon. H. P. COLEBATCH: The figures were quoted, not from the *Statistical Abstract*, but were quoted by the Minister, and by Hon. Mr. Kirwan and many other people. It was said that the harvest for the year would yield an average of 5.8 bushels to the acre. That was a forecast which was made several months previously. In the meantime, however, the harvest had been reaped, and the harvest only yielded, as I have said, $2\frac{1}{2}$ bushels to the acre. Yet in January, after the harvest had been reaped, this House was misled by the quotation of figures which proved to be entirely erroneous. We were told over and over again that the Esperance lands had proved themselves, and that the rest of the State had failed. As a matter of fact, I myself, speaking in the House a month before the Esperance Railway Bill was passed, gave certain figures which proved to be absolutely correct in regard to the harvest in other districts, showing where the forecast was falsified by subsequent events. The advocates of this Esperance railway should have known all about these figures. As I have stated before, the average wheat yield for the last harvest of the Esperance district was only $2\frac{1}{2}$ bushels to the acre, and that confined to a small area, a total of 1,988 acres. The forecast for wheat over 2,041 acres was a yield of 11,805 bushels, or an average of 5.8 bushels per acre. The actual yield, which should have been known to all at the time, was, however, from 1,988 acres 4,929 bushels, an average of 2.5 bushels to the acre. The forecast for hay off 2,043 acres was 908 tons, and actually there were only 1,889 acres planted and this only yielded 616 tons or 6 cwt. to the

acre. In regard to oats, there were 114 acres forecasted at 7.2 bushels to the acre, and actually only 72 acres were stripped, yielding 5.5 bushels to the acre. The whole district did not produce as much as one farmer in the settled areas would produce on his holding, and did not for any one class of crop give a payable return. The season certainly was a bad one all over the State. I am not saying that this proves that the Esperance wheat lands are bad, but I say that the House was misled in regard to the crop in that district. The true information should have been in the possession of every hon. member who took any interest in the district, as far back as December.

The Colonial Secretary interjected.

Hon. H. P. COLEBATCH: I am not suggesting that the Colonial Secretary knew the figures, but I say that they should have been in the possession of the Government, any competent Government, advocating an agricultural railway. In the present condition of the finances of the country, they should have known the actual facts because the harvest was already reaped and the figures could readily have been obtained. Another question propounded by Mr. Kirwan was this: what would the Liberal party, if it had been in power, have done with regard to the public servants? Apparently, again, he thought that the question could not have been answered without committing oneself to something which would be extremely unpopular. The Liberal Administration, if in power, would not, I say, have got into the present mess which probably—I do not say it does—necessitates some reduction in the cost of the civil service. The reduction, actually made—to my mind, is entirely absurd, because as Mr. Holmes has pointed out this evening, it does not seem to have created any saving. So far as the Railway Department is concerned, it is freely stated that the reduction of salaries and working hours really increases the cost of the department to the Government. It has involved overtime in certain directions, which otherwise should not have been necessary. I am not prepared to argue in regard to any details

on the subject, but taking the returns I say conclusively that this attempt to save money by the reduction of wages and hours has been utterly futile so far as cutting down expenses is concerned. So far as I am entitled to speak, I say with those who hold Liberal views in this House, that if it was necessary to reduce salaries because of the embarrassing position in which the State was placed, that reduction should never have been accompanied by a reduction of hours. We are never going to get out of our troubles, either of the State or the individual, by doing less work. The wickedest portion of that cutting-down policy was the restricting of the school hours of the children in our State schools. In view of the fact that there is no immediate prospect of any improvement in the finances, and in view of the probability that they are not going to get less straitened in the near future, are the Government going to continue this wicked policy of robbing the children of the State schools of the education to which they are properly entitled? If things get worse—and I do not think they are going to get very much better just yet—are the Government going to cut down the teachers by another 7.89 per cent. of their salaries, and do away with another day's schooling in every three weeks? If that policy is sound at all, it is a proper thing to continue it proportionately. But it is absolutely unsound, and the Government must know that it is ridiculous. When will they have the courage to depart from it? Not only has this policy been applied to ordinary State schools, but to continuation classes. In this State one of the greatest difficulties we have is to induce those children, who are compelled to leave school at the age of 14 or 15, before their education is completed, to go to a continuation class and fit themselves thoroughly for the battle of life. In many places I know of, after years of effort, these classes have been established and now comes this ridiculous 7.89 per cent. reduction in regard to these classes also. I know one instance in which an outsider, not a member of the Education Department, is employed in a continua-

tion school in the country, because there was no one else in the service in that particular town who understood the subject which he was required to teach. He arrived at school one evening to be told that, instead of receiving 13s. a night, he would in future only get 12s., because of this 7.89 reduction. He said at once "I do not care." He had evidently taken the Kitchener pledge, and therefore 12s. would be worth more than 13s. before he had taken the pledge. But he was told "You must close your school ten minutes earlier than usual." He said "Two hours is little enough for me to get through the work," and he was told that he must cut down the period of attendance. What sort of example for the State is that? How can we hope to encourage any people to go to continuation classes when we bring a principle like that before them? I am informed, further, that when the order went out for the closing of State schools one day in every three weeks, the staffs of the Perth Modern School and the Kalgoorlie Secondary school appealed to the Government to be allowed to run their schools for the full time, irrespective altogether of the question of salaries. I am also informed that not only was that offer not accepted, but it was not even courteously replied to. The teachers felt the position keenly. Those two excellent schools have to stand up against the competition of private secondary schools, and it is good for all parties that there should be competition, but the teachers in the Government secondary schools are naturally ambitious to secure good results, and they know they are labouring under difficulties because in the private secondary schools a large percentage of the pupils are under discipline for the 24 hours of the day, whereas in the State secondary schools the teachers have to rely on the children themselves outside the actual school hours. If in addition to that difficulty the teachers in the State secondary schools are to be confronted with this other difficulty, it is impossible for their children to compete with the private secondary schools. In the State secondary schools, and in the State public schools as well, the teachers,

probably in defiance of the principles of the Government as enunciated, are working overtime in order to try and overcome the difficulties that would otherwise arise. I think the most pleasing feature of the Governor's Speech is the sobered reference to the financial position of the State. On the last page we find these words—

Owing to the amount of money required by Great Britain and her Allies to successfully prosecute the war, we cannot expect the same assistance from the English money market as in previous years. For the future we must rely chiefly upon our local resources and the liberality of the people of the State to supply the requirements of future loan expenditure.

I assume that that suggests the intention to float a local State loan, but what it means exactly, I do not know. At any rate it shows that the Government have awakened to the reality of the position. Only a month before this Speech was presented to Parliament, namely, on the 23rd June, the Treasurer of the State, addressing a meeting in Fremantle, used these words—

His opponents asserted that the time had arrived when the State should almost entirely depend upon its own resources—meaning that the Government should curtail or stop using loan funds. That was a wrong view of the present position. If it were followed out it would be detrimental to the best interests of the State.

Only a month before the Government condemned those critics who said that the time was coming when the State must try to live more within its own resources. Four weeks later he has to come to Parliament and tell us in the Governor's Speech that that is what the Government must do. In the address he delivered at Fremantle he said,—

He would rather see the deficit two millions than curtail the facilities that the Government had been able to give the community. Their Liberal critics worried a lot about them; were any of them a bit worse off because of the deficit?

Strange to say in that audience of working men, because it was purely a party

function, there was nothing but a chorus of "No, no." Nobody was a bit the worse off because of the deficit, and because of the deficit the Government was cutting down the educational facilities of the children, and reducing the earnings of all the employees. It was also stopping public works in all directions, and yet the Premier stood up before an audience of working men and asked, "Is any one of you a bit the worse off because of the deficit," and there was an admiring chorus of "No, no." It is almost hopeless to expect sane government when the Premier makes statements of that kind which receive endorsement from the very people who are being pinched. I do not agree with the remarks of Sir Edward Wittenoom—I may not have heard them quite correctly—as to the people who have to bear the brunt of bad times. When bad times come along the working man suffers first and he suffers most keenly. Those who are engaged in other walks of life find that luxuries can be dispensed with, and cut them off, but they do not really suffer as does the working man.

Hon. W. Kingsmill: You do not mean the man who is working in the State industries?

Hon. H. P. COLEBATCH: The State industries cannot go on without money. Every pound wasted by the Government is money taken out of the pockets of the working men, and if this could only be told to them we should return to sound and sane government. The working man suffers as a result of waste and extravagance, and he will be the chief sufferer from the waste and extravagance committed by this Government for several years past.

Hon. H. Millington: He has always suffered.

Hon. H. P. COLEBATCH: No; he has had a good time up to within the past three or four years. The Premier said that this deficit was ridiculously small, and he drew attention to the fact that Victoria had piled up a deficit of a million and a half in a single year. As a matter of fact Victoria has done nothing of the sort.

Even if it had done so, that deficit was only equivalent to a deficit of £300,000 in Western Australia, taking into consideration the respective populations. The Victorian Government accumulated a deficit last year of £500,000, and that deficit spread over the big population of Victoria is quite a small thing. It is far less in proportion than a deficit of £150,000 would be in Western Australia, yet we find here that the Government can accumulate such a deficit, not in 12 months, but in one month. Our deficit, which is alarming, arises, I think, from the fact that Parliament has lost control over the finances of the State. The Premier in the same speech at Fremantle made the remark that all the money which had been spent had been authorised by Parliament. The Colonial Secretary made some such remark to-day. I have quoted the figures of the trading concerns showing that Parliament did not authorise a single penny of the expenditure, and yet the Government was able to spend £200,000 on them.

The Colonial Secretary: I did not say that Parliament had authorised the expenditure.

Hon. H. P. COLEBATCH: The Colonial Secretary suggested that Parliament had approved of everything with the exception of one or two items. The way this came about is that soon after the present Government assumed office they altered the system of financing the trading concerns. There were a number in existence before. The practice in regard to water supply, harbour works and many other undertakings was to take into revenue account or draw from expenditure merely the excess, one side or the other. The estimated revenue that these concerns were expected to earn over and above their expenditure would be shown, and if it was thought that the expenditure would exceed the revenue then the expenditure was shown but only to the extent of the amount of the excess. The present Government altered that system and they took the whole of the revenue to the revenue account and the whole of the expenditure to the expenditure

account. If the old system had prevailed the Premier in regard to the State sawmills would have presented Parliament with an estimated revenue of £18,000, and would have provided no expenditure whatever. There would have been no vote for the carrying on of the State sawmills—I am not referring to their construction—because he estimated to receive £18,000 more than the expenditure, while under the old system there would have been an item on the revenue side of £18,000 and nothing on the expenditure side, and probably it would have been difficult without an authorisation from Parliament to have spent £100,000 on that undertaking. Now, however, putting the total revenue and the total expenditure in, there is a vote, and that vote of course will be exceeded. Parliament has lost the control it might have had over the finances. The Government passed a vote and they spent as much as they liked on that particular work, and then as much more on something else. There is a reference to the finances in another portion of the Governor's Speech to which I would like to draw attention. It is what I consider to be an extraordinary paragraph based on the principle that those who do not blow their own trumpet must remain unsung. Anyone would think that the Government had done everything imaginable for the relief of the settlers. The paragraph states—

The Government, realising the difficulties of the settlers, have made extra efforts to assist them.

I do not want to discount anything that the Government have done—

Not only have they supplied the great majority of them with wheat and fertilisers, but with the actual necessities of life, both for themselves and their stock.

That is an improper statement to make. It is entirely wrong. It is libellous on the best class of this community, and it is detrimental to the best interests of the State that it should go forth that the Government has supplied seed wheat and fertilisers and the necessities of life both

for the farmers and their stock. They have not done so. If they had so supplied the great majority of them, how could they possibly with the sum of £500,000 provide for the cropping of 1½ million acres of land.

Hon. J. Cornell: The Speech is badly edited.

Hon. H. P. COLEBATCH: I have refrained from saying anything about the editing of the Speech, and from that point of view it is beyond criticism. The paragraph goes on—

Through the agency of the Industries Assistance Board approximately £500,000 has been advanced to the settlers to tide them over their difficulties.

If it were true that the Government had to provide a majority of the settlers with seed wheat, fertilisers, and the necessities of life—

The Colonial Secretary: Read the sentence before it.

Hon. H. P. COLEBATCH: It refers to the whole of the settlers. What it is intended to convey I do not know. The wording of the paragraph is not very clear, but the only meaning that any one reading it can gather is that the Government has had to go to the relief of the majority of the settlers and provide them with seed wheat, fertilisers and the necessities of life, when nothing of the sort has occurred. But it would have been appalling if the Government had not gone to the relief of the settlers. There is all this praise of the Government for what they have done for the settlers, but we do not find a single word of commendation for what the settlers have done for the State. The settlers have been working for three or four years without getting any return, and if the State did not assist them it would have been an everlasting disgrace.

Hon. W. Kingsmill: Was it a gift?

Hon. H. P. COLEBATCH: Of course not. The Government are making a profit out of it, and that is contrary to the practice adopted in every other State. In the other States the Government have made small losses through assisting the settlers, but in this State the Government propose to make a profit in this connec-

tion. A paragraph was published in the *West Australian* a few days ago setting forth this extraordinary statement as having come from Mr. Allison, organiser of the Carpenters' Union. He stated—

At a meeting of the union held on Tuesday night he reported that the prospects of work in this State in the future were very bad indeed. This report he said was based on reports made by Mr. Collier and the Minister for Works (Mr. Angwin). The latter had stated that there were no prospects of work ahead and that a sum of £850,000 which had been set aside for public works had been devoted to assisting the farmers.

That statement has not been denied.

The Colonial Secretary: It is not correct.

Hon. H. P. COLEBATCH: Then, why has not it been denied? Why should people be allowed to delude and mislead the workers without a correction being made? The secretary of the union speaking at a meeting stated that the Minister said £850,000, set aside for public works, had been devoted to assisting the farmers. It is in this way that the workers are gulled into supporting this policy of waste and extravagance. What happened was that Parliament voted £750,000 for the assistance of settlers and the Government have used only £500,000 of it for that purpose. The Government have not taken one penny allocated to public works for assisting the farmers, but they have taken over one million of money devoted to public works to meet the deficit. If, when this paragraph appeared, the Minister had insisted upon the truth being stated, a very different impression would have been set up in the minds of the members of the union. If they had been told it was not true, but that the money used to assist the farmers had been voted by Parliament for that purpose, and, had they further been told that the money voted for public works was not available because of the deficit, we should not have had a crowd of Labour supporters replying "No, no!" when asked whether they were any the worse off for the deficit.

Hon. J. Cornell: Very few would believe Allison.

Hon. H. P. COLEBATCH: If the workers had had these facts pointed out to them they would wonder which of their leaders they could believe. A statement like this is detrimental to the agricultural industry for it endeavours to cast on the settlers all the difficulties of the Government. Would not it have been fair to have told the workers that if the Government had not gone to the relief of the settlers there would have been little prospect of work in the coming few months?

Hon. H. Millington: Sometimes misleading statements are made by the Liberals.

Hon. H. P. COLEBATCH: They ought to be corrected and the hon. member should see to it. A while ago there was a great deal of criticism regarding the so-called foolish land policy of the Liberal party in the past. We were told that they had sent people out in to the back country without provision and had there settled men who were never likely to be able to make a living, and all this sort of thing. A little while after, the Liberal party were deposed from office, and any lack of facilities is not the fault of the Liberal Administration. The whole hope of Western Australia lies in the work which is being done by the men on the land. If that policy had not been pursued by a Liberal Administration, if land settlement had been confined to what it was seven, eight or nine years ago, in what was considered the absolutely safe rainfall area, what would these people who have gone out in the back blocks during the last few years have been doing? In what other avenues could they have found employment? Should we have driven them out of the country and said that Western Australia was not capable of maintaining a population of more than 250,000 people? What would have been our position if we had relied upon the comparatively small number of settlers in the absolutely safe rainfall area? The whole hope of this State lies in the people who are developing the back country, and if we are going to get out of our difficul-

ties and keep out of our difficulties, we shall have to settle more people in the back blocks and give them facilities which will enable them to carry on their operations at a profit.

Hon. C. F. Baxter: Quite right.

Hon. H. P. COLEBATCH: The present Government crippled land settlement directly they came into office. We have only to refer to the figures in the monthly *Statistical Abstract* to see that from the time they took office land settlement declined, and that year by year it has fallen off until, instead of 1,727,000 acres taken up under conditional purchase in the last year of the Liberal Administration, we find that the area last year was under one-sixth of that total, or only a paltry 300,000 acres. During the debate on the Supply Bill this afternoon, Mr. Cornell interjected to Mr. Holmes that the money was in the pockets of the people. That is another fallacy which it would be well for those who speak in the interests of the Labour movement to get out of their heads. I would like to have a look at the stocktaking returns which are to be furnished under the measure recently presented to the Federal Parliament. I venture to say that the feature of those returns which, if they were published, would most amaze the people, would be the number of men who are carrying on big enterprises and employing large numbers of hands with a very small surplus of assets. There are very few people in this State who have money. They may have capital, but they have no money in their pockets. All those taxation proposals which seem to appeal so much to my hon. friend are in the long run not a tax upon wealth, but a tax upon energy and enterprise, and every penny that is extracted by means of taxation means that we are simply taking it away from those who are making the best use of it and giving it to the Government who, generally speaking, do not use it half so well. If people had wealth lying idle in their pockets, the policy of taxation to make the money available for expenditure in the interests of the people might be sound from the point of view of the worker, but, as it is, we cannot take

money from the private employer without decreasing his capacity to find employment for the worker. Reference has been made to the appalling rate at which the loan expenditure has accumulated during recent years. As a matter of fact during the last six years preceding the advent to power of the present Government, our loan indebtedness was increased by £10 7s. per head of the population. We all remember that in the election campaign of 1911, almost the strongest indictment produced by those who now sit on the Treasury bench against the past Administration was that they had in this way increased the indebtedness of the people. In those six years the indebtedness of the population was increased by £10 7s. per head, whereas in the short space of four years, during the present Labour Administration, the indebtedness has increased by no less than £28 per head of the population. When the present Government took office, the indebtedness per head of the population was about £73 and at the present time it is approximately £101. Whereas the Liberal Administration in six years increased the indebtedness by £10 per head, and incidentally in doing it set up the land settlement policy and brought prosperity to the country, the present Government in four years have increased the indebtedness by £28 per head, have killed land settlement and done their best to bring about a general depression. There is one other matter to which attention might be directed in connection with the finances and that is the increasingly unsatisfactory position regarding the State Savings Bank. Under the old system, our surplus of deposits over withdrawals amounted to as much as half a million pounds in one year and the very best use was made of this money. During the year ended June, 1914, the Federal Savings Bank in Western Australia received £181,000 excess of deposits over withdrawals, and during the nine months ended March, 1915, the excess of deposits over withdrawals in the Federal Savings Bank was £151,000, which shows that the people were still saving money. But our unfor-

fortunate State institution during the 12 months ended June, 1914, lost by excess of withdrawals over deposits £49,000, and during the year ended June, 1915, lost by excess of withdrawals over deposits no less than £133,000. The Federal Government treated Western Australia and the other States very badly in this matter. They took a course of action which they must have foreseen would embarrass the States in regard to their finances, and in the case of Western Australia we know from the statements made that they misled our Ministers up to the last moment. We were assured over and over again that the matter would be all right with the result that the State continued its Savings Bank operations in the post offices almost until the day when the Federal Government were prepared to open their own banks in the post offices. Had our Government intended to compete the only wise course would have been to shift the Savings Bank from the post offices months before the Federal Government were prepared to open, so that the people would have to become accustomed to going to the new agencies. In Northam a most extraordinary procedure has been carried out in regard to the Savings Bank. The agency was taken from the post office just when the Federal Government were prepared to start and was moved to a private banking institution. After a time it was found that the people who were in the habit of going to the Savings Bank did not like to go to the private bank to do their business, but preferred to continue going to the post office and the Government found the competition very severe. They thereupon decided to establish a savings bank of their own. They took a lease of property for a considerable period, I believe three years, but did not occupy the premises until the lease had been running for about three months. The premises were then opened and a large sum of money—£150 at the very least, but I believe more—was spent in equipping them for savings bank purposes. Before the present Government came into power, decentralisation in the

lands Department had been decided upon and the present Government, apparently thinking that the right course, built fine, up-to-date offices in Northam. They bought the land and had the offices established before they entered into the three years lease of private property for the Savings Bank agency, but before they had occupied the new Savings Bank premises more than two months, they decided to close down the district land agency and to shift the Savings Bank agency to those premises. Therefore, we have the position that the Government took a lease of private property for three years; they paid three months rent before they occupied it and then after a couple of months, they moved the agency into the expensive building provided for the land office and now have the other property on their hands for three years. This is merely an instance of the muddling incapacity which has produced the present financial position. Critics of the Government are often asked where they would have money saved, but though instance after instance is pointed out, we hear no more about it. One cannot move about the country without finding at every step evidence, not only of gross extravagance, but of muddling of this sort, as if those responsible did not know on one day what they would do the next. We are told that legislation proposals this session will not be of a controversial nature. I do not know whether the Government have fortified themselves by an assurance from caucus to this effect, but in the past it has been a case of the Government proposing and of caucus disposing. Probably a Bill brought forward by the Government with the best intentions and without any extreme party tendency before emerging from the caucus would be of most controversial nature imaginable. I am content to leave the discussion of such measures until they appear before us. We are told that emergency legislation will be enacted. If that applies to the Control of Trade in War Time Act, I hope the Government, before attempting to pass the Bill, will give Parliament and the public some satisfaction as to the

operations of the Commission in the past particularly in regard to the secret contract entered into with two Perth milling firms for the gristing of wheat imported from India and the Argentine. So far we have had contradictory statements in regard to this contract. We have had statements to the effect that the millers were merely gristing as agents for the Government, and we have had statements that they have bought the wheat and are gristing it for themselves.

The Colonial Secretary: I will lay the contract on the table of the House, if you like.

Hon. H. P. COLEBATCH: Thanks; it would be very interesting.

Hon. H. Millington: You would sooner get it outside.

Hon. H. P. COLEBATCH: I do not know why the hon. member persists in interjecting that we would sooner get information of this nature outside. The information ought to be made known to Parliament by the Government. The Government have no excuse for bottling it up. These secret contracts are not in the best interests of the country. Take the powellising contract as the first of these secret contracts. Can it be maintained that that contract was in the best interests of the State? I maintain that not one of these secret contracts has been in the best interests of the State. So far as I am concerned, I am just as anxious as any other member can be to get away as far as possible from party strife at the present juncture; but, as I said before, we must have the light of day let into all these matters. At times like the present I do not think caucus methods will succeed. Legislation at this time should be legislation by Parliament, by the whole of Parliament. It should not be legislation decided upon in a Star Chamber fashion by the caucus, because we know very well what happens. Caucus is not unanimous in its decisions. Twenty-six members of another place meeting in caucus, possibly there may be 16 of them who take one view, the extreme, the improper view, and 10 who take the right view. If the matter were decided in open Parliament, it would be

decided rightly; but, as it is, those 10 are compelled by their pledge to vote against their own convictions; and thus we have the extreme view forced through, contrary to the wishes of the majority of members. At a time of crisis such as the present, these methods should be suspended. We cannot expect all sections of the community to work together for the common good when we find the cast-iron methods of caucus still adhered to, and even more rigidly than in times of peace and prosperity. It is necessary that these methods should be abolished, chiefly in order that public confidence may be restored. I do hope from the interjection made by Mr. Millington that that hon. member will assist myself and others to kill that dreadful economic fallacy, that the people are going to achieve prosperity by restricting production. If we can only convince the worker that all the waste is going to fall back on him, no matter what shape it takes, then I think a great deal will have been achieved. If further illustration of the truth of that argument be needed, let me point to two classes that we have had before us in this State for the last six or seven months. One class is represented by the large number of men who have been receiving free meals and free beds from the Government. I ask, have these men done anything for themselves or anything for the country? In many cases they have taken the advice tendered by the Colonial Secretary himself, that it is preferable for a man to take his two free meals and his free bed from the Government rather than go out into the country and work for 25s. a week and tucker. That statement was made by the Colonial Secretary in reply to some remarks of mine on that precious Income Tax Bill—that it was better for a man to take two free meals and a free bed from the Government than to work for a farmer for 25s. a week and tucker, because, it was said—

Hon. J. Cornell: A pound a week.

Hon. H. P. COLEBATCH: I do not care if the hon. member says it was 10s. a week. The men were urged to refuse to take a penny less than what was considered the standard ruling rate. The

other class of man is represented by the settler working in the back blocks practically for nothing during the past four years, his wife and family and himself undergoing extreme privations. It is that man who is going to help the State out of its difficulties. My contention is that, so far as the individual is concerned and the country is concerned, the only good that is going to come to us will be from the efforts of those who consider that a time of emergency is a time for harder work, whatever the immediate reward may be.

On motion by Hon. J. F. Cullen debate adjourned.

House adjourned at 8.21 p.m.

Legislative Assembly,

Tuesday, 3rd August, 1915.

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

PAPERS PRESENTED.

By the Minister for Lands: Agreement between the Minister for Lands and the Perth flour mills.

By the Minister of Water Supply and Sewerage: By-laws of the Metropolitan Water Supply, Sewerage, and Drainage.

By the Honorary Minister: 1, Balance sheet of South Perth Ferries, with Auditor General's reports for periods ended 30th June, 1913, and 30th June, 1914. 2, Balance sheet of Pure Milk Supply, Claremont, with Auditor General's reports for years ended 30th June, 1913, and 30th June, 1914.

By the Minister for Education: Report of the trustees under the Public Education Endowment Act, 1909, to 31st December, 1914.

By the Premier: Amendment of Regulation 36 under the Audit Act, 1904, and approval of Form 11a.

QUESTION—FREEZING WORKS, WYNDHAM.

Hon. H. B. LEFROY (for Hon. Frank Wilson) asked the Minister for Works: 1, Will he take the House into his confidence as to the exact position of the proposed Wyndham meat works? 2, Were tenders called publicly, or privately, or at all for the construction of the works? 3, What is the nature of the contract said to have been made between Nevanas & Co. and the Government—(a) and the amount? 4, Why was it cancelled? 5, What compensation, if any, is to be paid or has been paid for the cancellation thereof? 6, How do the Government propose to proceed with the work? 7, What is (a) the capacity of the works?; (b) the estimated total cost?

The MINISTER FOR WORKS replied: 1, Yes. 2, No tenders were called, but on advice of a board appointed to consider plans, price, etc., submitted by Messrs. Nevanas & Co., it was agreed to give this firm the work on account of the low price submitted. 3, An interim agreement was entered into for the erection of buildings and plant and providing water supply, price £155,150. 4, Conditions of the interim agreement not being complied with. 5, None. For information of hon. members I might add that the