

which the legislation is to be amended. I had hoped that most of the financial emergency legislation would have been thrown overboard this year. Taking into consideration the various stages by which the Government have granted relief under this heading, it will be agreed that they would not have to go much further if they were to cast aside the rest of it.

Hon. H. S. W. Parker: Except with regard to taxation.

Hon. G. FRASER: I would be glad to see the tax abolished altogether. I hope that the legislation as it affects wages and salaries will be discarded, although I realise that there are one or two measures within the category of the financial emergency legislation that will need to be re-enacted. I hope that the legislative requirements in that respect will be reduced to an absolute minimum, and I will give the Government my assistance in that respect.

Hon. C. B. Williams: What about the 20 per cent.?

Hon. G. FRASER: That is one phase that I would like to see wiped out altogether. As the Government have gone so far already in granting relief they would not require to go much further to abolish the rest of those imposts. I regret that time will not permit me to mention many other matters I would like to deal with. I do not desire to detain members and their friends any longer, so I shall content myself with moving the motion I have already outlined.

HON. A. M. CLYDESDALE (Metropolitan-Suburban) [3.57]: I formally second the motion.

On motion by Hon. C. F. Baxter, debate adjourned.

House adjourned at 3.59 p.m.

Legislative Assembly,

Thursday, 1st August, 1935.

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MEETING OF THE ASSEMBLY.

The Legislative Assembly met at 3 p.m., pursuant to proclamation, which was read by the Clerk (Mr. F. G. Steere).

SUMMONS FROM THE LIEUT.-GOVERNOR.

The Speaker and members, in response to summons, proceeded to the Legislative Council Chamber and, having heard His Excellency deliver the opening Speech (vide Council report ante), they returned to the Assembly Chamber.

SWEARING-IN.

The Speaker reported the return to writs for the Avon, Gascoyne and South Fremantle district vacancies.

The newly-elected members, Mr. I. G. Boyle (Avon), Hon. F. J. S. Wise (Gascoyne—Ministerial re-election) and Mr. T. Fox (South Fremantle), took and subscribed the oath and signed the roll.

BILL—FORESTS ACT AMENDMENT.

THE PREMIER (Hon. P. Collier—Boulder) [3.35]: In order to assert and maintain the undoubted rights and privileges of this House to initiate legislation, I move, without notice, for leave to introduce a Bill for "An Act to amend Section 41 of the Forests Act, 1918."

Leave given: Bill introduced and read a first time.

LIEUT.-GOVERNOR'S OPENING SPEECH.

MR. SPEAKER: I have to announce that, accompanied by hon. members of this Chamber I attended His Excellency the Lieutenant-Governor in the Legislative Council Chamber to hear the Speech which His Excellency was pleased to deliver to both Houses of Parliament. For the sake of greater accuracy, I have caused copies of the Speech to be distributed amongst members of this Chamber.

ADDRESS-IN-REPLY.

First Day.

MR. F. C. L. SMITH (Brown Hill-Ivanhoe)
[3.37]: I move—

That the following address-in-reply to His Excellency's Speech be agreed to:—“His Excellency, Sir James Mitchell, K.C.M.G., Lieut.-Governor in and over the State of Western Australia and its Dependencies in the Commonwealth of Australia; May it please Your Excellency: We, the Legislative Assembly of the Parliament of the State of Western Australia, in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign and to thank Your Excellency for the Speech you have been pleased to deliver to Parliament.”

Members have listened with great interest to the Speech just delivered by His Excellency. Reference was made in the Speech to the elevation to Ministerial rank of the member for Gascoyne, the Hon. F. J. S. Wise. Although that elevation took place in March last, I feel that I am expressing the sentiments of members on both sides of the House when I offer him the most sincere congratulations on this the first opportunity to do so in Parliament assembled. His Excellency's Speech, though couched in considered terms and emphatic, too, regarding the care that must be exercised with the finances, nevertheless referred to many developments which have occurred in industry during the year and upon which we might congratulate ourselves. There is, for instance, the continued prosperity in the gold mining industry. There is the record that has been established in the export of our famous fat lambs. The record achieved both in the production and in the export of apples during the past year is a matter upon which we can congratulate ourselves, as well as the fact that we secured pride of place over other shipments in respect to price. Another satisfactory feature was the new level reached in butter production, which showed an increase of 14 per cent. over that of the previous year. There was also the encouraging increase in the output of the banana industry, the production of which was 5,387 cases greater than that of the previous year. I should like to say a few words regarding the banana industry because recently I had an opportunity to visit Carnarvon and witness the wonderful development that has occurred. It was certainly very impressive to see the vast area of beautiful soil under cultivation and covered with banana planta-

tions. It was impressive to look along the rows of those wonderful plants with their prolific growth and see bunch after bunch of bananas, each of which, we were told, was worth £1. Thus we were able to realise the amount of wealth that is being added to the State's production as a result of this comparatively new, yet thriving industry. A very satisfactory improvement has occurred in the railway position, as revealed in the revenue returns of that instrumentality. Further, an improvement is recorded in the employment position. This, of course, is a matter in which we are all concerned. We appreciate the difficulties that the present Government and the previous Government experienced over the problem of unemployment, but it is very gratifying to know that a distinct improvement has taken place, and that there has been a considerable reduction in the number of men who have had to be assisted by the Government in the way of receiving relief work or sustenance. I observe from the Governor's Speech that the number has been reduced from 11,175 to 9,173. A gratifying feature also is the vast reduction that has taken place during the last couple of years in the number entirely on sustenance. That improvement is due to the fact that those men have been found relief work by the Government. Not only have they found relief work, but the average amount of earnings by each of those relief workers has been increased considerably. Although so far we have failed to reach the highly desirable objective of finding full-time employment for men on Government relief work, yet I regard the improvement which has been effected as one upon which we can extend our congratulations to the Minister for Employment and to the Government generally. The economic position, too, has improved to such an extent during the last two years that there is considerably more employment in factories and in private industry generally. We find the improvement in the economic position also reflected in the number of permits issued for building, and in the value of the buildings which have been erected. However, the most noticeable and the most notable improvement that has occurred during the past year is the important improvement in connection with State finances. I regard it as a wonderful achievement for the Government to have realised during the past year a deficit so low as £167,000. We are certainly progressing towards the position of balancing the

Budget, because that achievement of a deficit of only £167,000 last year represented an improvement of £477,000 on the estimated deficit and an improvement of £622,000 on the previous year's deficit. It has frequently been asserted, I know, that the improvement which has been so marked during the past year is due to the additional loan moneys which the present Government have had made available to them. Doubtless there is something in that contention. I remember that the Premier in his policy speech made a strong point of his intention to go to the Loan Council and endeavour to secure more loan money than had been obtained from that body by the previous Administration. The hon. gentleman was successful in that connection. The loan expenditure which has been undertaken by the present Government has had the approval not only of the people of this State but also of the Treasurers of the Commonwealth and of the Eastern States. Still, the present Government realise that in times of depression the only alternative to increased loan expenditure is the growth of deficits; and, after all, deficits are only debts called by another name, and add to the debt per head of population just as effectively as does loan expenditure. Deficits must be financed by loan funds, and therefore during depressions an increase in indebtedness, either through loan works or through deficits, is inevitable. In my opinion, an increase of indebtedness through loan works is preferable, since deficits are too often the outcome of badly handled expenditure. An interesting comparison may be drawn in that connection. Notwithstanding all the talk about the large amount of money that has been available to the present Government as compared with the amount available to the previous Government, we find that the amounts differ but slightly when an examination is made into the figures of loan expenditure and deficits. I do not wish to give the deficits of the previous Government year by year, but they total £3,842,516, or over a million pounds per annum. The deficits of the present Government during their two years of office added to the estimated deficit for the current year will total £1,218,007.

Mr. Moloney: That's the stuff to give them!

Mr. F. C. L. SMITH: Now as regards loan expenditure by the two Governments respectively. The previous Administration's

total loan expenditure was £5,357,740. They prided themselves upon their economy, but because of their low expenditure of loan moneys they had very high deficits. The loan expenditure of the present Government for two years, added to the estimated loan expenditure for the current year, will total £8,128,207, or about £3,000,000 more than the previous Administration's expenditure on loan works. But when we add the deficits and the loan expenditure of the previous Administration together, and add the deficits, actual and estimated, and the loan expenditure of the present Administration together, and then subtract one from the other, we find that the present Government had money available to them to the extent of only £144,000 more than the previous Government. The whole of the improvement, after all, has been due to the wisdom of the policy of the present Government, to their organising ability, to their capacity for handling the State finances. It was often said in the past that a Labour Administration was not capable of handling the finances, but by now it has been proved in actual fact that Labour Governments can handle the finances better than any other kind of Government can. I realise that there is justification for the note of caution in His Excellency's Speech. Undoubtedly there is a difficulty looming with regard to loan expenditure for the current financial year. We are aware that the Premier was highly successful in putting up the case for Western Australia at the last meeting of the Loan Council, and that while there was a general reduction in the estimates of loan expenditure, there was a smaller reduction in the case of Western Australia than in the case of any other State. However, owing to the comparative failure of the last loan, there is to be another meeting of the Loan Council for the purpose of reviewing the previous estimates and possibly curtailing some of the proposed expenditure. My feeling is that the failure of the last loan to attract full subscription by about £1,700,000 was due largely to the considerable amount of Press propaganda prior to the meeting of the Loan Council. The Press informed the public that there was a tightness in the money market, that it would be impossible this year to raise the same amount as was raised during the previous year, and that even to raise a lesser amount it would be necessary to increase the interest rate. The Press informed us that the

expert financial advisers were going to tell the State Treasurers this when they met at Canberra. I do not know whether or not the expert advisers had informed the Press that that was the position, but I consider it quite within my province to enter a protest against a condition of affairs under which State Treasurers going to the Loan Council have the services of expert advisers and these expert advisers tell the world what they are going to tell the Treasurers before they tell the Treasurers themselves.

Mr. Welsh: How did you find that out?

Mr. F. C. L. SMITH: I consider that the first duty of those expert advisers—if they attend meetings of the Loan Council in that capacity—is to defer the giving of their advice to the Treasurers until the Loan Council meets. Then it should be the responsibility of the various Treasurers or of the Loan Council to decide whether that advice is to be broadcast to the world or not. How could we expect a loan to be a success if it was preceded by that kind of propaganda, by talk about a tightness in the money market, by such statements as "We cannot raise such and such an amount unless we increase the rate of interest"? I certainly consider it a most improper proceeding on the part of the expert advisers to tell the Press what they intend to tell the Treasurers. Now I wish to say a few words regarding the goldmining industry. I have already said that I regard the prosperity prevailing in that particular industry as matter for much congratulation. Last year the industry employed 13,310 men, representing an increase of 2,620 over the figures of the previous year. There was also an increase of some 14,000 ounces in the output of gold. During the year the Government decided to send to London the Minister for Mines, Mr. Munsie, his mission being to give first-hand information there concerning the possibilities of the wide auriferous areas of this State and to endeavour to induce capital to come into Western Australia for the purpose of mining investment. I entirely approve of Mr. Munsie's visit to London. I believe that much good will result from his being enabled to meet the people interested and to tell them of the vast wealth that can be won from our auriferous areas. At the same time I mention that the considerable amount of capital invested in Western Australian goldmining within recent years is

beyond what would be comparable to the increase in the output of gold. There should have been a greater output consistent with the amount of capital that has been invested in the mining industry in this State in recent years. Most of that capital, or a good deal of it, has been used for exploiting markets, instead of exploiting gold deposits, and in my opinion, now that the Government have lent their aid to induce speculation, they should go further and endeavour to protect the speculators from the machinations of snide promoters. There is another side to the mining industry and we always have to bear in mind, whether we are discussing the wealth that is produced or the wages and conditions of the men working in the industry—and this is a matter to which I referred in this House some 12 months ago—that there are three men in every thousand who in every 12 months lose their lives through accidents. That percentage rate of fatal accidents in the goldmining industry, which has been perpetuated over the years, was again recorded last year. We have to remember, when we are dealing with the workers in the mining industry, that not only do they do a fair day's work in the course of their avocation, but that many of them risk their lives during every minute of their employment. Time does not permit me to deal with the proposed legislation indicated in the Governor's Speech, but I wish to conclude by complimenting members of the Opposition upon their very reasonable attitude towards the legislation introduced last year. Their criticism was both helpful and constructive, and I feel sure, if that same attitude is continued during the present session, we shall place upon the statute book some very useful measures.

MR. WANSBROUGH (Albany) [4.5]: I formally second the motion.

On motion by Hon. P. D. Ferguson, debate adjourned.

ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. P. Collier—Boulder) [4.6]: I move—

That the House at its rising adjourn until 4.30 p.m. on Tuesday next.

Question put and passed.

House adjourned at 4.6 p.m.