

Legislative Council,

Wednesday, 21th September, 1930.

	PAGE
Address-in-reply, presentation	672
Questions: State Insurance	672
Industries Assistance Board	672
Wyndham Meat Works	672
University professors	672
Government Houses, Perth and Albany ...	673
Royal Mint	673
Bills: Wagin Hospital Validation, 3r. ...	673
High School Act Amendment, 3r. ...	673
Roman Catholic New Norcia Church Property Act Amendment, 3r.	673
State Trading Concerns Act Amendment, 2r. ...	673
Industries Assistance Act Continuance, 2r. ...	680
Adjournment, special	680

QUESTION—INDUSTRIES ASSISTANCE BOARD.

Hon. H. SEDDON asked the Minister for Country Water Supplies: 1, On what date will the report of the Industries Assistance Board be made available to the House? 2, Will the Minister have the report presented before the Industries Assistance Act Continuance Bill is further discussed?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: 1, In about three weeks. 2, Yes. If hon. members so desire, consideration of the Bill will be postponed until the report is available.

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

ADDRESS-IN-REPLY, PRESENTATION.

The PRESIDENT: I desire to report that this morning I waited on His Excellency the Governor and presented to him the Address-in-reply, to which His Excellency has been pleased to make the following answer:—

Mr. President and hon. members of the Legislative Council, I thank you for your expressions of loyalty to His Most Gracious Majesty the King and for your Address-in-reply to the Speech with which I opened Parliament. (Sgd.) W. R. Campion, Governor.

QUESTION—STATE INSURANCE.

Hon. E. H. H. HALL (for Hon. W. T. Glasheen) asked the Minister for Country Water Supplies: 1, Is it a fact that the State Insurance Department is insuring workers' compensation risks at a rate 20 per cent. cheaper than that of private companies? 2, Did the State Insurance Department show a profit last year? If so, how much?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: 1, Yes. In one instance the difference is 10 per cent., whilst in a number of other cases the difference is considerably greater than 20 per cent. 2, Yes; (a) in general accident risks, £2,950 approximately; (b) in mining diseases, £32,576 approximately. These amounts have not been treated as profits, but have been added to existing reserves.

QUESTION—WYNDHAM MEAT WORKS.

Hon. A. LOVEKIN asked the Minister for Country Water Supplies: 1, What was the number of cattle purchased and killed at the Wyndham Meat Works during the 1929 season? 2, What was the average price per head paid to the owners? 3, What was the amount paid in wages; the amount in salaries; administration and other costs? 4, What was the return from sales after payment of freight and charges? 5, What was the amount paid for interest on cost of works, ditto on overdraft? 6, Under agreement with the Commonwealth, do the proceeds of sales abroad go to State or Commonwealth account in London?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: 1, 25,766. 2, £5. 3, Wages, £66,085; salaries, £13,478; transport of operating staff and travelling expenses, £10,913; printing, cables, incidentals, etc., £3,139; freight, insurance, and commission, £58,098; materials, £42,022. 4, Sales, £320,636; charges, £151,713; difference, £168,923; amount paid for cattle, £128,896; amount paid for materials, £42,022. 5, Nil. 6, To State account.

QUESTION—UNIVERSITY PROFESSORS.

Hon. A. LOVEKIN asked the Minister for Country Water Supplies: 1, How many professors and lecturers are engaged at the University? 2, What are their respective salaries or emoluments? 3, What subjects do they teach? 4, What is the average number of students attending the respective lectures?

The **MINISTER FOR COUNTRY WATER SUPPLIES** replied: 1, 2, 3 and 4, The information, in reply to the questions, has been laid on the Table of the House in the form of a return.

QUESTION—GOVERNMENT HOUSES, PERTH AND ALBANY.

Hon. A. LOVEKIN asked the Minister for Country Water Supplies: 1, In addition to the sum of £1,360 provided for upkeep of grounds at Perth and Albany Government Houses, was a sum of £1,400 spent during the year ending 30th June, 1930? 2, For how many days during 1929-30 did the Governor reside at Albany?

The **MINISTER FOR COUNTRY WATER SUPPLIES** replied: 1, £1,400 was provided for Government House, Perth, and Albany Government Cottage, including maintenance of houses, out-buildings, drainage, furniture and fittings, china, glassware and fuel, light, water and sanitation. Of this amount £1,063 was spent. 2, 61 days.

QUESTION—ROYAL MINT.

Hon. A. LOVEKIN asked the Minister for Country Water Supplies: 1, What was the loss in operating the Royal Mint last year? 2, Does the Commonwealth commandeered the gold output? 3, If so, what compensation is paid to the State towards the loss?

The **MINISTER FOR COUNTRY WATER SUPPLIES** replied: 1, The loss for the year ended 21st December, 1929, was £7,533 3s. 6d. 2, No. 3, No compensation is paid to the State by the Commonwealth.

BILLS (3)—THIRD READING.

- 1, Wagin Hospital Validation.
- 2, High School Act Amendment.
- 3, Roman Catholic New Norcia Church Property Act Amendment.

Transmitted to the Assembly.

BILL—STATE TRADING CONCERNS ACT AMENDMENT.

Second Reading.

Debate resumed from the 18th September.

HON. J. M. DREW (Central) [4.44]: The Government are asking power under this Bill to dispose of the State trading con-

cerns without the consent of Parliament. In 1916 similar power was sought, but after a great deal of consideration had been given to the question Parliament decided to amend the Bill in order that if the question were again submitted it must be decided by the vote of Parliament. If there was a purchaser for any of the trading concerns, before the deal could be closed Parliament had to come to a determination on the point. I am not aware that anything has occurred in the meantime to justify Parliament in altering the decision then arrived at. The Leader of the House said the provisions in the original Act were a paralysing and unworkable restriction. He did not give any instance in support of that view, though probably he has instances. I am sure if he has none he would find no difficulty in securing some. It stands to reason that an intending purchaser would much prefer to deal with a seller who represented a body hostile to the continuance of a trading concern, and anxious to get rid of it almost at any cost; in fact to deal with a Government of that kind rather than to deal with one whose actions were subject to review by Parliament.

Hon. A. Lovekin: No one is chasing these trading concerns.

Hon. J. M. DREW: Another aspect of the position, according to the Leader of the House, is the obvious reluctance of prospective purchasers or lessees to negotiate if competitors are to enjoy the elaboration and criticism of the details in Parliament, and perhaps profit by the disclosures which competitors in business are always so anxious to obtain of each other's transactions. If this means that potential purchasers would have to declare and state the details of their business, I am unable to follow the process of reasoning by which such a conclusion is arrived at. Certainly the seller should disclose the details of his business. He should make his books available to the intending purchaser, and all documents connected with the concern which would have a bearing on the sale. The furnishing of the details of the business of the purchaser would have nothing to do with the case, so far as I am able to comprehend the position from his point of view. His competitors we are told, would perhaps profit by the disclosure. How could his competitors profit in that way? Could any disclosures, except disclosures that he is not in a

sound position, be to his disadvantage and to the advantage of his competitors? That is another point on which I seek enlightenment. No disclosures are necessary in the matter, except disclosures by the Government in connection with the particular trading concerns they are offering for sale. Perhaps it may be advisable to sell on terms. There would probably be a prospect of getting a larger sum for each of these trading concerns if terms were given. In that case certainly an investigation would be necessary. It would be essential to know whether the prospective purchaser was a good mark or not, and whether he was in a sound financial position and would be able to complete the deal. If he is financially sound, he has nothing to fear from an investigation. If he is not financially sound, he is not entitled to the slightest consideration. Tenders are called for public works that are sometimes of great magnitude, such as railways involving the expenditure of thousands of pounds, and jetties running into similar figures. Tenders are called, and when the papers are examined it may be discovered, for instance, that Mr. Jones is the lowest tenderer. A searching investigation into Mr. Jones' financial position immediately follows.

Hon. J. J. Holmes: Parliament is not asking for an investigation.

Hon. J. M. DREW: I am dealing with the arguments put up in favour of the Bill. This searching investigation is made. Bankers are consulted, as are business men, until the Government are satisfied that Mr. Jones is able to carry out the promises he has made.

Hon. G. W. Miles: And then they accept or reject the tender; they do not ask Parliament.

Hon. J. M. DREW: The Leader of the House goes on to say that an additional substantial obstruction in the working of Section 25 of the Act is that

"In any overtures for the purchase or lease of a trading concern, the Government would need to be satisfied that the negotiator was in a position to finance the proposal. Such ascertained particulars of his bona fides would appear on the departmental papers. Those papers, if Parliamentary approval had first to be obtained, would necessarily have first to be presented, and that requirement alone would stop any business man, no matter how sound his affairs might be, from submitting himself to a hasty hunt of his financial status in the arena of politics."

Does anyone imagine that the mere fact that these transactions are not to be submitted to Parliament, implies that the successful tenderer will not be subjected to a probing of his affairs? Many people are suspicious. All sorts of rumours get abroad. In three cases out of four, probably, if these trading concerns are disposed of, someone or other will call for the papers, and then the financial status of the successful tenderer will be probed. I do not think any Government would refuse to lay the papers on the Table of the House. If they did suspicion would be aroused, although there might be no grounds for such suspicion. In any case we may rest assured, unless Parliamentary authority is sought in the first instance, that in many cases the papers will be called for, and everything connected with the transaction will be exposed to public view. State trading concerns represent a huge sum of money. They certainly should not be sold without the consent of Parliament. The Leader of the House was able to show that the State Sawmills had made a profit of £617,357 since their inception. He was quite correct, although he has been somewhat ridiculed for his statement.

Hon. Sir William Lathlain: They have paid no taxation.

Hon. J. M. DREW: If taxation were allowed for, it would not mean a substantial reduction. In the case of a company the amount of its capital is subscribed by the shareholders. Interest on capital is not paid. It is paid in another form, per medium of dividends. The State Sawmills paid £268,534 into revenue as profit. They paid £345,511 in interest. I am using the figures of the Leader of the House, for I am sure they are quite correct. They paid that amount in dividends. If they had been a public company, and the capital had been put up by the shareholders, the £345,511 would represent dividends and nothing else.

Hon. Sir Edward Wittenoom: Why come into competition at all with private enterprise?

Hon. J. M. DREW: The Government are asking us to permit them to sell these concerns at their own sweet will. I do not wish to reflect upon the Government for I believe them to consist of thoroughly honest men. By reason of their pledges, however, and they may honour them—they may be driven to force these trading concerns on the mar-

ket at an inopportune time. Great credit is due to the Leader of the House for placing the true position of the State Sawmills before the people. He is strongly opposed to State trading concerns, and has expressed that view from time to time, but, in the discharge of his Ministerial responsibilities, he recognised it was due to him to publish the truth, and in doing so he has come in for a certain amount of public criticism, which I do not think he fears. He could, however, have gone further than he did in showing the State Sawmills to advantage. That trading concern is still paying interest on its capitalisation. In justice it is entitled to compound interest on the profits, which has been fleched by the Treasury. I am not referring to Governments of eight or ten years ago. All Governments have fleched the profits of the State Sawmills and have not allowed any interest to the concern on that score. As a matter of fact these profits should go into a reserve fund for use by the State Sawmills when they run short of money. If they had been credited with interest on these profits, the profits of the concern would have been substantially increased. The State Shipping Service might be sold without Parliament being consulted, and against the will of the electors. I am well aware that during the elections in the North-West in 1927 the Nationalist Party sent telegrams up there stating that it was a foul misrepresentation, or words to that effect, for the Labour Party to state that if the Nationalists got back to power they would sell the State Shipping Service. In fact, they took credit for the building of the "Koolinda."

Hon. G. W. Miles: Who took credit for that?

Hon. J. M. DREW: I was informed that the Nationalist Party took some credit for building that ship, actually for preparing the original plans. There was a streak of truth in the statement, in that they had plans prepared in the early stages of their administration. I am endeavouring to show the great danger of allowing any Cabinet to dispose of State trading concerns without the approval of Parliament. The Country Party are also pledged to a continuance of the State Shipping Service. At rather a late stage during the last general elections they published a statement indicating that the preservation of

that service was one of the plans of their platform. Pledges, however, are treated lightly in recent days and sometimes disregarded. We may not know what may occur to the State Shipping Service. The Government in power to-day may within the next six or 12 months give way to another Government, who may be utterly oblivious of the fact that the previous Government have pledged themselves to the preservation of the service. Even members of Parliament may be misled into supporting this Bill without reservation. The public Press—a Press that occupies a high standing—has been deceived. Quite recently there were published figures which indicated that there was a visible loss of £1,480,333 in connection with the running of the shipping service. Mr. Keenan could not allow such a statement to remain uncontradicted and he deserves credit for the reply that he made. He was able to prove that the loss was no more than £232,169 over a period of 18 years. He took the figures as published and made deductions on bona fide grounds. But there were two items overlooked by Mr. Keenan. One, in ordinary circumstances, would be a fair charge, but in view of the fact that the cost was inexplicable, unfair and unjust, there should have been a big deduction on that account. I refer to the insulation of the "Kangaroo." That vessel originally cost £140,000, and the amount spent subsequently on insulation was £175,000. The cost should not have been more than £30,000. Therefore, in justice to the shipping service, there should be a further reduction. I do not know how the figures mounted to that sum, but the fact remains that the "Koolinda" was insulated to carry 100 tons of frozen meat and the total cost of the vessel was £180,000.

Hon. A. Lovekin: If you read the report of the select committee appointed by this House, you will see the reason.

Hon. J. M. DREW: Again, with regard to the sale of the "West Australian." There was a profit on the sale of that steamer of no less than £40,000. The profit was taken into revenue, and that is a point that should be considered. It was, however, overlooked by Mr. Keenan, who did not give the shipping service credit for that amount. If such published statements are allowed to go uncontradicted, the State Shipping Service

might be disposed of for a song. Only last night, in the course of a public address delivered by a gentleman holding a responsible position, I heard a statement to the effect that the loss on the shipping service was £540,000. Possibly that will be believed, but it is not correct, and any body of qualified accountants, after investigating the books of the service, would be able to prove that that was not so. I regret to have to go into these details, but it is necessary to show, it is highly desirable in fact, that Parliament should review the situation. With regard to the shipping service, I have some particulars here for the year ended 30th June, 1929. The figures I shall quote will be exclusive of interest and depreciation.

Hon. A. Lovekin: That is an important fact.

Hon. J. M. DREW: The profits of the "Koolinda" were £11,644. The loss on the previous year, on the same basis, was £2,249. For the year ended 30th June, 1929, the profit on the "Kangaroo" was £994, but there was a loss of £3,958 over that vessel in the previous year. The "Kybra" is a great handicap to the service through being obliged to cater for the trade on the south-east coast. Sometimes she has only 20 or 30 tons of cargo for that part of the State, but there is a fine settlement at Ravensthorpe, and despite all the drawbacks, in respect of the carriage of wheat and fertiliser, the people down there seem to be thriving and advancing. Those people have to be considered. For the year ended the 30th June, 1929, the "Kybra" was responsible for a loss of £7,737. In the previous year the loss was greater—£9,751.

Hon. G. W. Miles: Are you taking into account the subsidy of £1,500?

Hon. J. M. DREW: Yes; the Commonwealth Government withdrew the subsidy but the State then provided it. The "Kybra" was afterwards put on the Fremantle-Carnarvon trade and she picked up to the extent of over £2,000. This small vessel does not now run so frequently to Hopetoun and Esperance, although the trade has increased since I left office. But there it is. There is a substantial loss on the "Kybra", and who would say that she should be withdrawn from that service? It is utterly impossible for any Minister to run the State Shipping Service at a profit, that is, if he has to cater for the settlers of the North-

West and South-East. When I was in office I had deliberately to send the "Kangaroo" on a trip to the North-West, a trip that I knew would not be profitable. At the same time I had to consider the convenience of the settlers. If it had been a vessel controlled by a private firm or company, the convenience of the settlers would not have been studied for a moment. But why stop at the trading concerns? Some of the agricultural and mining railways have always been run at a great loss, particularly in the early stages, and to-day there is a heavy loss on the agricultural lines of the State. No one expects them to show a profit during the period of their initiation. There is another argument to be advanced against the Government being permitted to sell these concerns without the review of Parliament. We all know that at this time of financial stress the Government want money, and they may sell the trading concerns and take the proceeds into revenue. That could be done. It is an extraordinary thing, but under the Financial Agreement it is possible to do that. That is the only part of the Financial Agreement that I dislike.

Hon. H. Seddon: Although they were bought out of loan money.

Hon. J. M. DREW: Yes. The Government can sell the assets of the State that were established out of loan money, and take the proceeds into revenue.

Hon. A. Lovekin: They cannot sell the railways without the consent of Parliament.

Hon. J. M. DREW: The position seems to me very unsound. Subsection 3 of Section 4 of the Financial Agreement, 1928, says—

The unexpended balance of the Sale of Government Property Fund at the commencement of this Act shall be appropriated by Parliament on estimates duly submitted and approved.

Previously the money was placed to the credit of the Sale of Government Property Trust Fund, and was appropriated by Parliament. The Treasurer had to show how the money was spent, and it was mostly spent in lieu of loan money. The section of the Financial Agreement continues—

All proceeds of sales of Government property thereafter shall be paid to a special account of the Consolidated Revenue.

It does not go into a trust fund: it goes into a special account of the Consolidated Revenue. If the Bill passes the second reading, and from my experience in this Chamber I

am inclined to think it will, there should be a provision that the proceeds should be devoted towards reducing the unfunded deficit. I understand it is proposed to fund the deficit. I have not had an opportunity to look up the Financial Agreement, but I am under the impression that there will be an obligation on the State to find something like 9 per cent.

Hon. H. Seddon: A 4 per cent. sinking fund.

Hon. J. M. DREW: Yes, it will mean that the State will have to find 9 per cent. altogether.

Hon. A. Lovekin: That is right.

Hon. J. M. DREW: I am speaking from memory. If the Bill reaches the Committee stage, it should be amended to provide that the proceeds of the sale of any of the trading concerns should go towards reducing any unfunded deficit that exists, and anything over and above should go towards reducing the losses on group settlement. Even if it be proposed to close down a small railway. We had such an instance a couple of years ago, when it was decided to pull up three lines, two of which had been successful railways and the other practically a shunting line. The Government had to approach Parliament for permission to take up the rails. I do not think those lines cost a large sum of money, certainly nothing in comparison with the cost of the shipping service. Yet the Government had to come forward and ask Parliament to give them a free hand in connection with the pulling up of the rails. The Act will be illogical if the amending Bill is permitted to go through. No Government can start a trading concern without the consent of Parliament, and then it will be possible, if the Bill passes, for any Government to sell a trading concern without the consent of Parliament. This is untenable and illogical and should not be agreed to for a single moment. I have nothing more to add and anything I have said I assure the Minister was not in any way intended as a reflection on the Government. I have thorough confidence in their honesty, but, knowing as I do that they are desirous of showing the people that they have carried out a plank of their platform in connection with the abolition of the trading concerns, they may be impelled at this particular time to close a deal without exercising that care and caution which is necessary in the circumstances.

HON. J. NICHOLSON (Metropolitan [5.14]: The Bill is very simple, but one realises that by the omission of the words which are proposed by the Bill to be omitted from the Act as it stands at present, it will accomplish something of a drastic character. I appreciate the views expressed by Mr. Drew, but we must remember that he has always been in favour of the maintenance of State trading concerns. I think, however, that the apprehensions he seems to entertain regarding the disposal of the State trading concerns can scarcely be substantiated, because the Leader of the House, when moving the second reading, clearly stated that it was not intended to attempt any wild disposal of the concerns, but that the Government would exercise a very wise discretion in selling them. I appreciate also the suggestion made by Mr. Drew to amend the Bill in Committee to stipulate that the proceeds realised from the sale of any trading concern shall be applied towards liquidating any unfunded deficit. The proposal is worthy of the fullest consideration, and I think members generally will welcome it. I do not know how it appeals to the Minister, but in the interests of sound finance, I feel sure he would admit that it would not be judicious to apply the proceeds from the sale of any trading concern to revenue purposes without ensuring that any unfunded deficit was first met. With this Bill before us, I am reminded that a somewhat similar measure was introduced by Mr. Lovekin in 1922. I seconded the motion for the introduction of that Bill, and I should like to refer to some remarks I made on that occasion, which will be found in "Hansard," page 742—

We all know the difficulties under which the Government have laboured in the past in not carrying out their clearly expressed desire to dispose of these trading concerns. For a considerable time past, Ministers have announced that they wished to get rid of these undertakings. We wish to see them disposed of, but at the same time no one would wish to see them sold at a sacrifice which would adversely affect the finances of the State.

That, I think, gives expression to the desire of the Government of the day.

We must realise that so long as these trading concerns are in existence, so long are other industries imperilled, and the development of our secondary and other industries retarded. The simple amendment which is suggested in the Bill will accomplish exactly what members of the Ministry desire, namely the power to dispose of the trading concerns

without reference to Parliament. Anyone in business must realise that, if an intending buyer came along, he would not submit his proposal to be discussed in open by Parliament.

It stands to reason that it would be unfair to discuss any proposition for their sale in Parliament. Under such conditions the concerns would never be sold—

If I were to seek to sell a business or property, I would not wish to submit the details to be discussed in Parliament or before any other public body. It would be unfair to the buyer, because all the details concerning his business would be made public. These negotiations should be carried on in a reasonable and proper way, and we can rely upon Ministers to use their best efforts to sell to the best possible advantage. If these trading concerns are disposed of, we shall then be able to encourage other capital to come to Western Australia so as to develop the resources of the State.

What I said on that occasion applies with equal force to-day, or probably with far greater force, because the finances of the State have reached a condition that necessitates something being done, at least with those trading concerns which are causing so great a loss to operate. We do not wish to see anyone injured; that is the last thing any member would desire, but we have to recognise that the embarkation of any Government in the field of private enterprise is wrong. It is a departure from governmental duties and functions. So long as that policy is indulged in by the Government, so long will the development of our industries be imperilled. It would have been much better if the enterprises in which the Government have sunk such a huge amount of capital had been undertaken by private people. It would not then have been necessary for the Government to find that capital, and the taxpayers would not have had to find the interest upon it. We have to meet the interest bill on the money sunk in trading concerns. The liabilities of the State would have been so much the less had we left that field to private enterprise. The sooner we recognise that Governments have prescribed functions, one of which is to leave the industrial field to private individuals, the better it will be for us. I am satisfied that the Government will exercise wisdom in disposing of any of these properties. It is because I have that confidence which Mr.

Drew feels in the Government that I am constrained to support the second reading of the Bill.

HON. SIR WILLIAM LATHLAIN (Metropolitan-Suburban) [5.24]: I support the second reading of the Bill and congratulate the Government upon having introduced the measure, which I feel sure will do much towards relieving the financial position, consequent upon the heavy losses made from time to time by the various trading undertakings. It is not necessary to enter into detail regarding many of them, because we had our minds refreshed last evening when the Premier announced that the losses on State trading concerns had amounted to £1,219,000. Unlike some members, I am not concerned whether the trading concerns show a loss or a gain. I strongly oppose the principle of any Government entering into trading. The duty of the Government is to guide, govern and inspire the people, not to sell fish and chips and other commodities such as various Governments have undertaken to supply. I was much surprised when Mr. Gray, during his speech on the Address-in-reply, made an appeal, and a very earnest appeal, for the continuance of the State Implement Works. If ever there was a dead concern, dead from the start and dead all through, it is the State Implement Works. Yet Mr. Gray made a most earnest appeal for its reconstruction and continuance. In 1928-29 the loss on that concern amounted to £13,900. Some years ago over £120,000 was written off the capital of the same concern. One of my objections to State trading is that it involves the employment of too large a proportion of the people by the Government. The Premier, in the course of his Budget speech, stated that the amount paid by the Government in wages was about £5,000,000, and the amount paid by other employers was about £10,000,000. Hence one-third of the wages paid in Western Australia goes to Government employees. This has a marked effect in many ways. The encroachments that have been made upon industries conducted by private individuals have been considerable, and the establishment of various activities, quarries, brickworks, implement works and hotels, has prevented many other people from entering into similar businesses. Private in-

dividuals could not with confidence invest their capital in similar businesses because they did not know the extent to which the State might come into direct competition with them. I should like to ask Mr. Gray whether he would be prepared to put his own capital into the State Implement Works. It is very easy to argue the advisableness of conducting State trading concerns with the people's money, but I venture to say not one member here would be prepared to put up his own capital in order to keep these concerns going. I hope the Minister will make a note of this point, that when the Government sell the yards of the State Sawmills at Victoria Park, they will return to the city of Perth the street that was filched from the city when the Government took over that property. There was insufficient area and the Government closed one of the main streets in order to enlarge the sawmills yards. Therefore, when the mills are sold, I hope the street will not be sold with them. The position outlined by the Minister regarding the selling of the State trading concerns indicated more optimism in him than I possess. He said the Government would do their best, and I am sure they will. I have sufficient confidence in the present or any other Government to believe that they would do their utmost, when selling trading concerns, to dispose of them to the best advantage. After all, there is thrown upon all Governments a very serious responsibility. We have never yet heard, at any rate in Western Australia, of anything of an underhand or unclean nature being done by a Ministry. The Government are responsible occasionally for the life or death of an individual, and such a question is decided by them without reference to Parliament. Equally unnecessary is it to refer to Parliament the sale of the State trading concerns. There is ample reason for the sale of these concerns, especially the State hotels. I hope the endeavour of the Government will be to dispose of all the concerns outright, and not to lease them. Let us be done with them once and for all. Over a long period, Parliament has been discussing the principle of State trading and the serious losses resulting from it. We ought not to be called upon to discuss the more serious losses which are inevitable if the concerns are not finally

sold. I again express the hope that if the power proposed in this Bill is conferred upon the Government, they will use their best endeavours to sell the whole of the State trading concerns at the earliest possible moment. I am prepared to give the necessary power either to the present Government or to any other Government, realising as a business man that it is not possible to bring negotiations with a purchaser to any determination if too many people interfere in the matter. If the section which the Bill proposes to delete had not been in existence, it is quite possible that the McKay harvester people would have started in Western Australia some time ago. There were other conditions which had to be complied with, but in the first place McKay's said that the site at Rocky Bay was not big enough for them and that the machinery was obsolete. If I had been Premier and McKay's agent had come to me with an offer to buy the State Implement Works, I would have put my arms round his neck and said, "Take them." In connection with their works at Sunshine, McKay's have created a large, well laid out and fine township. We should have a similar township established by them here in Western Australia. However, the advent of the Western Australian Government into the domain of trade and manufactures has prohibited not only McKay's, but probably many others, from starting industries here. Since the State trading concerns were inaugurated, investors have been discouraged from establishing manufactures here, to an extent which very few people except those closely associated with business can realise. There was an impression that the Government might embark upon any line of business. Some lines the Government have been compelled to give up; but if the process had continued as it was operating at one time, they might have opened in every branch of trade, including even drapery. I heartily support the second reading of the Bill, and I trust that the Government, when granted the power proposed, will do their utmost to sell the State trading concerns lock, stock and barrel, so that we may be rid of them once and for all.

On motion by Hon. W. H. Kitson, debate adjourned.

BILL—INDUSTRIES ASSISTANCE ACT CONTINUANCE.

Second Reading.

Debate resumed from the previous day.

HON. J. NICHOLSON (Metropolitan) [5.35]: In moving the adjournment of the debate on the second reading of the Bill—

The **PRESIDENT**: The hon. member cannot speak in moving that motion.

Hon. J. NICHOLSON: I merely wish to make an explanation, if I may. The Industries Assistance Board's report for 1929 is on the Table, but that for 1930 is not yet before us. I wish to ask the Leader of the House whether he can make arrangements which will render it possible for members to have before them the latter report prior to the resumption of the debate. I move—

That the debate be adjourned.

Motion put and passed; the debate adjourned.

ADJOURNMENT—SPECIAL.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [5.36]: I move—

That the House at its rising adjourn until Tuesday, the 30th September.

Question put and passed.

House adjourned at 5.37 p.m.

Legislative Assembly,

Wednesday, 21th September, 1930.

	PAGE
Questions: Unemployment	680
Tramway service, Leederville	680
Price fluctuations	680
Salvation Army Home, Gosnells	681
Address-in-reply, presentation	681
Bills: Education Act Amendment, 1s.	681
Agricultural Bank Act Amendment, point of order, 2s.	682
Wagin Hospital Validation, 1s.	697
High School Act Amendment, 1s.	697
Roman Catholic New Norcia Church Property Act Amendment, 1s.	697
Marketing of Eggs, 2s.	697
Motions: Federal Constitution, proposed Convention	681
Federal disabilities, to inquire by Select Committee	709

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

QUESTION—UNEMPLOYMENT.

Mr. WILLCOCK (for Mr. Panton) asked the Minister for Railways: In view of the number of people being ejected from their homes, will he consider providing a camp for married men similar to the Blackboy camp for single men?

The **MINISTER FOR RAILWAYS** replied: No. This is not practicable.

QUESTION—TRAMWAY SERVICE, LEEDERVILLE.

Mr. WILLCOCK (for Mr. Panton) asked the Minister for Railways: 1, Is he aware that the new tram time-table for the Leederville line is causing much inconvenience on Sundays. 2, Will he consider increasing the number of cars on Sunday mornings?

The **MINISTER FOR RAILWAYS** replied: 1, No. In common with all other routes the Leederville service was reduced recently owing to the extra cost of Sunday operations, the drop in revenue, and the necessity for economy. 2, Not at present.

QUESTION—PRICE FLUCTUATIONS.

Mr. ANGELO asked the Premier: 1, Has he seen a copy of the graph which was presented with last week's issue of the "Western Mail", illustrating the fluctuations in the prices of wool and wheat and in the basic wage since 1912? 2, Will he have an