

turbance in the department, and that certainly is a credit not only to the very able engineer and organiser, Mr. Tindale, but also to Mr. Glendinning, the highly efficient secretary. With regard to the additional money available for transport services, I do not know whether the Minister has yet made up his mind how that money will be spent, but I would like to draw his attention to the fact that there has lately been a great deal of correspondence between the British Medical Association and the road boards of the State in regard to the provision of aerodromes in country districts. Where the land for the aerodrome is taken from Crown lands, it will present no financial difficulty, but frequently land has to be purchased for such purposes, either from the Agricultural Bank or from some private owner. I would suggest to the Minister and members generally that it would be proper to spend some of that money in assisting road boards faced with the need of buying land for this purpose. I do not know that I am called upon to say anything further in regard to the Bill other than to intimate that I find it very acceptable, and have pleasure in supporting the second reading.

Question put and passed.

Bill read a second time.

In Committee.

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

House adjourned at 9.53 p.m.

Legislative Council.

Wednesday, 1st September, 1937.

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

QUESTION—TENDER BOARD FORMS.

Clause Relating to Unionists.

Hon. C. F. BAXTER asked the Chief Secretary: 1, Did the Government Tender Board, at a duly constituted meeting, insert in the tender form the clause making it obligatory on the part of tenderers that all their employees should be financial members of a registered union? 2, If not, which Government Department was responsible for the insertion of such obligation? 3, Did the Crown Law Department draft the clause? 4, If so, under whose instructions? 5, Can the Minister explain the difference between a registered union and a recognised union? 6, If so, how?

The CHIEF SECRETARY replied: 1, 2, 3, 4, The position in regard to this matter has already been made clear in reply to previous questions in both Houses. Any subsequent action taken by the Tender Board was no referred to the Government. 5, Yes. 6, All unions are not registered, and, in some cases unregistered unions have agreements with the Government, and are therefore recognised.

QUESTION—STATE GOVERNMENT INSURANCE OFFICE.

Industrial Diseases and Accident Sections.

Hon. C. G. ELLIOTT asked the Chief Secretary: 1, What was the accumulated profit or loss made by the State Insurance Office, in its operations, since its inception to 30th June, 1937, in respect of (a) industrial diseases section; (b) accident section? 2, What was the total amount paid into Consolidated Revenue from the industrial diseases section to 30th June, 1937?

The CHIEF SECRETARY replied: 1, (a) The excess of premiums over payments is £355,042 7s. 1d. This amount is not a profit, but a reserve to meet outstanding and expected claims. (b) £32,972 0s. 1d., from which must be met outstanding claims. 2, £145,000.

ADDRESS-IN-REPLY.

Eleventh Day—Conclusion.

Debate resumed from the previous day.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [4.36]: As usual, hon. members have exercised their right to speak to the motion before the House; and in doing so they have touched on many points affecting, in particular, the electorates which the respective members represent. Some of those points have been informative, but I am afraid that in quite a number of cases the criticism which has been levelled at the Government can only be described as ill-informed. I do not think members will expect that I shall deal with every point that has been raised during the debate, more particularly in view of the fact that almost every member of the House has exercised the right, which is his, to deal with every and any subject he thinks fit on a motion of this kind. At the same time I do feel that I should deal, to the best of my ability, with the more important questions which have been raised; and in that category I would place the criticism of the financial policy of the Government, especially in regard to expenditure. Various members, led by Mr. Baxter, have criticised the Government from that aspect. Mr. Baxter said—

The drift of the State's finances is becoming more serious every year. A reckless state of affairs exists. The wild orgy of borrowing all the money possible, the yearly increases in taxation, and the extravagant expenditure can only end in a more serious and far-reaching period of straitened circumstances than the financial crisis of 1930-33.

The hon. member may honestly believe what he says, but I would suggest that in making those remarks he himself was greatly astray. He also uttered a prophecy which we have heard from other members in previous sessions, that if we continue to raise loan money for development of the State and for other purposes, sooner or later we shall reach a stage where it will not be possible for this

country to carry on. The first question I would like to ask Mr. Baxter is, how is it possible to develop a State such as Western Australia purely from revenue? The answer which he would be compelled to give would be that it is hardly possible unless we are prepared to increase our taxation to a stage which would be considered unreasonable by the majority of the people at the present time. Mr. Baxter, of course, like other members has suggested that the present Government have increased taxation, whereas he would be more correct if he said that we had received more from certain forms of taxation than we have received previously. Nevertheless he makes the definite statement that we have increased taxation. Therefore, so far as that criticism is concerned, I propose in my remarks to show, as far as I can, that the statements which have been made, while they may express the views held by hon. members, are not strictly in accordance with the facts of the case. Mr. Baxter went a little further than criticising the Government on the points I have mentioned. He suggested that we were spending more money in the metropolitan area than we should be, and that there was room for considerable increase in expenditure, especially loan expenditure, in country areas. Other hon. members, too, raised the same question; and therefore any remarks I have to make on that issue will apply to those other members. The criticisms I refer to took the form mostly of generalisations, directed at the Government for what one hon. member termed a policy which gave very little consideration to the producing interests. In that particular connection Mr. Baxter said the Government expenditure during the past few years had been directed mainly towards influencing political popularity. He went on to say that the major portion of the loan expenditure was being spent in the metropolitan area, as I have already indicated. But later on he was a little more definite, for he said—

The State Government's only aim is to use all funds in congested areas, where the political power exists, especially amongst the industrialists on whom they rely for their political support.

I suggest that that is just another attempt to raise the old cry of town versus country. In this instance, however, the hon. member has, I think, without due consideration or

inquiry into the facts, preferred what is tantamount to a charge of corruption against the present Administration. An analysis of the loan expenditure discloses that Mr. Baxter's statements are certainly not in accordance with the facts. I have brought here figures relating to the three years ended the 30th June, 1936, because the hon. member in his speech quoted the same years, and gave figures which, by way of interjection at one stage or another, I suggested did not disclose all the facts. During those three years our loan expenditure, exclusive of that on railways, amounted to £7,184,935. Of this amount £3,223,000 was expended on water supply and sewerage—£1,770,000 in the metropolitan area and £1,453,000 in other districts. A further sum of £1,115,000 was spent in assistance to agriculture, under the following headings:—

	£
Development	456,762
Assistance to settlers, etc. ..	129,745
Agricultural Bank (working capital)	375,000
Soldier settlement	1,957
Group settlement	151,596

Sums of £403,000 and £161,000 were absorbed, respectively, by forestry and mining, the latter comprising expenditure on development, and the erection of State batteries. Amounts totalling £471,000 were expended on roads and bridges in country and gold-fields districts, including feeders for railways and grants to local authorities. Turning to harbours and rivers, I find that during the period under review, out of a total allocation of £852,000 some £503,000 was expended outside the metropolitan area. With regard to loan expenditure on public buildings, the accounts disclose that during the three years I have mentioned the total amounted to £289,000, the respective figures for metropolitan and other districts being £186,000 and £103,000. Also workers homes £70,000, abattoirs £66,000, tramways £11,000, electricity £487,000, represent further sums allocated to the metropolitan area. The balance, comprising Miscellaneous, totals £36,000, and here expenditure in the metropolitan area amounted to £25,000. Thus, excluding railways we find that of a total loan expenditure of £7,184,000, £4,221,000 was spent in the country, and £2,963,000 in the metropolitan area. I think those figures—I must apologise for quoting so many figures—do show that the strictures levelled by the honourable

member at the Government while, as I say, he might believe them, are not quite correct, and that the figures he quoted required quite a lot of qualification and addition in order that the actual facts might be presented to the House. Over the same period loan expenditure on railways was £727,440, nearly all of which was expended on additions and improvements to existing railways in country districts. It will be seen therefore that during the period under review over 60 per cent. of our loan expenditure has been in districts outside the metropolitan area. I might say in that regard that on account of the limited expenditure in the metropolitan area during last year the corresponding figures for 1936-37 show a higher percentage of expenditure in the country as compared with the expenditure in the metropolitan area. These figures show that the statements made by the hon. member to the effect that the bulk of expenditure from loan funds was being lavished in the metropolitan area "amongst the industrialists" are entirely without basis. I do not propose to retrace the various figures adduced by Mr. Baxter in support of his contention that very little consideration has been given to the producing industry over the past few years. Members may recall that those figures purported to show that the sum total of Government assistance to primary production for the three years 1933-34 to 1935-36 amounted to only £1,566,000. The hon. member's figures are arithmetically correct insofar as they relate to loan contingencies, but unfortunately their value as a guide to the actual assistance given to producers by the Government is somewhat vitiated by reason of the complete omission of all items not included in loan expenditure. For example the hon. member has taken no cognisance of expenditure from the Revenue Fund. During 1935-36 the following payments were made from Revenue to assist primary industries—

	£
Wheat cartage subsidies	7,850
Cartage of ore subsidies	18,647
Drought relief	48,050
Losses on repurchased estates	14,627
	<hr/>
	£89,174

Last year on account of the prolongation of the drought, the total corresponding pay-

ments were substantially increased as follows.—

	£
Wheat cartage subsidies ..	7,252
Cartage of ore subsidies ..	16,033
Drought relief ..	161,520
Losses on repurchased estates ..	40,313
	<hr/>
	£225,118

Then again another matter which has received scant acknowledgement from members dealing with the question is that producers have benefited considerably since 1935 through the reduction in railway freights.

Hon. E. H. H. Hall: Railway freights were not reduced on the Midland Railway, were they?

The CHIEF SECRETARY: I will show the hon. member the reason for that later. It has been calculated on the basis of traffic actually carried that, during 1936-37, these rebates on the State railways amounted in the aggregate to nearly £200,000. Other assistance also has been given to primary industry by way of debts written off, refunds by the Agricultural Bank, approvals under the Industries Assistance Board, suspension of arrears in respect of repurchased estates, remission of pastoral rents and so on. I should like members to take particular note of the figures I am going to give to the House. I know that the same old argument could again be put forward as has been used on previous occasions in this House, namely, that the writing-off of debts is the writing-off of money that the Government never had. Attempts have been made in the past to vitiate the Government's policy by statements of that kind. In connection with debts written off by the Agricultural Bank during the three years ended the 30th June, 1937, I find that in the aggregate these amounted to £3,297,909. Of this sum £637,431 was in respect of amounts due to the Bank; £387,459 in respect of the Soldiers' Settlement Scheme, while amounts written off in connection with the Industries Assistance Board totalled £566,398. The balance—£1,716,621—comprised amounts written off under group settlement. Turning to debts written off by the Lands Department, records show that these totalled £254,731, so that in all no less than £3,552,640 of indebtedness has been cleared off the slates of the primary producers by the Lands Department and the Agricultural Bank in the last three years. As regards

the Lands Department, debts written off were as follows:—

	£
Repurchased estate leases—amounts written off ..	121,404
Repriced conditional purchase leases—amounts written off ..	98,299
Pastoral leases—rents remitted under Act of 1936 ..	35,028
	<hr/>
Total	£254,731

I might also add that the Water Supply Department during the same period have written off an amount of £34,077 owing on account of water rates. The Lands Department have granted valuable concessions to both repurchased estate and conditional purchase lessees. Thus, arrears of dues on repurchased estate leases amounting to £249,212 as at the 30th June, 1936, have been suspended for three years, while a sum of £147,167 representing arrears of rents on C.P. leases has been capitalised over the balance of the leasehold term. I mention those items because they all have a bearing on the financial position. Mortgagees of the Agricultural Bank have been refunded £108,473 during the last three years to help tide them over a period of difficulty. Then again, approvals under the Industries Assistance Board during 1935-36 and 1936-37 amounted to £305,631, while wire netting payments to the Commonwealth in excess of receipts from settlers have totalled £20,221 over the last three years. In mentioning those amounts in that way, I realise that perhaps it will be difficult for members to appreciate the full significance of those items in so far as the financial policy of the State is concerned. It will be extremely difficult for them, unless they have the figures in front of them, to appreciate the fact that it is all part of our finance, year by year. So I have had supplied to me a tabulated digest, if I may so call it, of Loan expenditure and so on, dealing with these phases of the subject. While I do not propose to read all those figures, I do propose to give the House the main points of them, and then to make the comparison I have already referred to. In this summary of Loan expenditure for the period 1934 to 1937 I should like members to take note of the figures dealing with water supplies other than in the metropolitan area. In 1933-34, £470,730 was spent, in 1934-35 the amount was £512,469, in 1935-36 it was £470,221, and in 1936-37 the amount was £509,206.

Hon. L. Craig: Does that include irrigation works?

The CHIEF SECRETARY: It deals with most water supplies in the country, such as country town supplies, supplies in agricultural areas, goldfields water supplies, stock route supplies, and supplies on the eastern goldfields, the Murchison goldfields, and other fields, all being outside the metropolitan area. Under the heading of "agriculture," including the development of agriculture, assistance to settlers, Industries Assistance Board for the assistance of industries, primary and secondary, Agricultural Bank, soldier settlement and group settlement, in the years I have quoted the figures are £750,628, £237,140, £127,292, and £101,004. Under the heading of mining, development of mining and erection of State batteries, the figures are £74,166, £59,682, £27,168, and £20,550 in the respective years. Under the headings of forestry, roads and bridges, harbours and rivers, railways, public buildings, country schools, gaols, Cave House, metropolitan schools and public buildings generally, workers' homes and miscellaneous, and the building of a new ship for the State Shipping Service, I have not the totals here. Under the heading of metropolitan area, Metropolitan Water Supply, Sewerage and Drainage, Abattoirs, Tramways and Electricity the figures are £395,926, £842,475, £1,095,788, and £850,839 in the respective years. In addition, the following expenditure to assist primary industries was made from revenue during the years 1935-1936 and 1936-1937, namely £89,174 and £225,118 respectively. It will be found on examination that these figures—Treasury figures—disclose an entirely different state of affairs from that which Mr. Baxter and other members would lead the House to believe existed. Summarising the figures we find that assistance given to primary industries during the three years ended the 30th June last, comprising debts written off on repurchased estate leases (active leases), C.P. leases reprieved, amounts written off pastoral leases, rents remitted under the Act of 1936, represents a sum of £254,731. Under the heading of Agricultural Bank, the amount written off was £637,431, soldier settlement scheme written off £387,459, group settlement written off £1,716,621, and Industries Assistance Board written off £556,398, a total of £3,297,909. Under the

heading of Water Supply Department (Country), the water rates written off amounted to £34,077. Under the heading of Lands Department, repurchased estate leases, arrears to 30th June, 1936, suspended for three years amounted to £249,212, and C.P. leases, arrears of rent capitalised over balances of terms, £147,167. Under the heading of Agricultural Bank, to assist settlers in carrying on for the last three financial years, the following assistance has been granted:—Direct refunds 1934-35 £54,465, 1935-36 £22,056, 1936-37 £31,952, a total of £108,473; and approvals under the Industries Assistance Board, nil in the first year, £103,947 in the next year, and £201,684 in 1936-37, a total of £305,631. Wire netting payments to the Commonwealth in excess of receipts from settlers (total £51,942) for three years amounted to £20,221, giving a total of £4,417,421 for the items I quoted. In addition, certain indulgences had to be taken into consideration, such as arrears of rent, interest, and water rates outstanding. In the case of the Lands Department, land rents owing to the 30th June last (ex Repatriation estates suspended for three years), the figure is £595,744. In the case of the Agricultural Bank, the interest owing to the 30th June last on "active" holdings (interest on "reverted" holdings £758,298 not included), the amount is £1,205,068, and in the case of the Water Supply Department (Country) the amount is £171,862, giving a grand total of £6,390,095. I have quoted these figures in some detail because they all represent money on which the Government have to find interest every year. No matter what our revenue may be, or what our loan programme may be, we have to find interest on that capital. Taking the approximate interest which has to be found on the money at the rate of 4½ per cent., it appears that the amount involved is £279,562. This is a most important figure, particularly when we consider that the total received from income taxation last year was £283,539. This is just a few pounds more than the amount which has to be found by the Government every year on moneys which have been written off or advanced to primary industry. When members are critical of the Government as to what they have done to assist primary industries, and critical

concerning the moneys spent in the country compared with that spent in the metropolitan area, it is only right they should know the facts, and take into consideration what the policy of previous Governments meant to the present Government, or any Government which comes after. Until these loans have been repaid, we shall have to meet our interest obligations on the money. The £279,562 has to be met every year on money which is not bringing in any revenue, and certainly represents a big burden to face before we can provide any other money out of the finances of the particular year to assist primary industries or engage in development work generally. I wish to give some information concerning Government assistance in the country, in a manner that probably members have not had before. For instance, Government assistance to the mining industry in the past three years is as follows:—

Big Bell Railway: Construction at a cost of £57,000, thus assisting greatly in the establishment of this large low-grade mine, and the employment of several hundred men.

Members will surely agree that this expenditure was justified. Over the years it will mean added revenue to the Government in many ways, beside ensuring that a large number of men shall have constant employment for a number of years.

Hon. G. W. Miles: A good investment.

The CHIEF SECRETARY: With regard to State Batteries—

During the past three years the Government have increased the size of the Kalgoorlie and Ora Banda batteries, and rebuilt the Coolgardie and Laverton batteries. They have also renewed and extended practically all their other plants, expending on such alterations since 1934 the sum of £52,000.

Hon. J. Cornell: State Batteries are paying their way.

The CHIEF SECRETARY: I am merely pointing out that this money has been expended in the interests of primary industry. Whether it comes out of the revenue derived from State Batteries, from Loan funds, or from other sources, is beside the point.

Hon. J. Cornell: It is, from your point of view.

The CHIEF SECRETARY: It should be, from the point of view of every member. If the wishes of all members who have

spoken to the motion were given effect to, drastic alterations would have to be made concerning the money spent on necessary services, or we would have to increase our loan expenditure to some unheard-of proportion. I take it that members who have been critical from the point of view of what money has been spent in their particular areas having been less than they would have liked to see, would not mind what else went short so long as their wishes were complied with. They must realise that all demands made upon the Government from time to time from all electoral provinces would, if given effect to, mean increased taxation which the community could not bear. Further Government assistance was given as follows:—

Northern Australian geological and geophysical survey: In collaboration with the Commonwealth and Queensland Governments, the Government has expended £37,500 on the survey of the North and North-West of the State during the past three years. This has proved of great benefit to the mining industry.

I am inclined to think we are not in a position at the moment to appreciate the value of the work done, but in years to come the results will be reflected in the mining industry, and sooner or later the State will obtain the benefit of the expenditure of the money.

Prospecting: The Government have continued their prospecting scheme, and during the past few years have assisted several thousand men, many of whom have made good.

In view of the value of this to the mining industry, I am sure that members representing mining constituencies would not discourage expenditure in that direction.

In addition, the usual developmental assistance, cartage subsidies, etc., have been continued.

I hope this will be accepted as a reply to those members representing mining constituencies who have been somewhat critical of the financial policy of the Government. In mining centres water supply branch mains have been laid to Norseman, Ora Banda and Mt. Palmer, and mains have been enlarged to Bullfinch, Marvel Loch and Burbidge. There is another comparison I should like to make before I leave the subject of finance, and it has reference to agricultural development losses for the year 1936-37, a very important subject. The statement

which I have disclosed the figures as follows:—

**AGRICULTURAL DEVELOPMENT LOSSES,
1936-37.**

	Capital Charges (Interest, Sinking Fund and Exchange).	Net Earnings.	De- ficiency.
	£	£	£
Agricultural Bank	318,498	64,125	254,373
Industries Assistance Board	99,887	17,706	76,181
Soldiers' Settlement	289,053	130,407	158,246
Group Settlement	244,320	17,709	226,551
Rabbit-proof Fence	15,235	-13,832	29,067
Agricultural Development generally	141,445	14,074	127,371
Total	£1,097,038	£230,249	£866,789
Financial Emergency Tax	£971,372		

The amount received from the financial emergency tax, as the table shows, was £971,372, and the deficiency the State had to meet in regard to agricultural development losses totalled £866,000.

Hon. L. Craig: That will not be a recurring loss.

The CHIEF SECRETARY: It will vary from year to year. If we have an experience next year similar to that of last year, I suppose the loss will be the same.

Hon. L. Craig: But last season was exceptional.

The CHIEF SECRETARY: Of course if we encounter another bad season, we shall again have to face a similar loss. All this has to bear on the finances of the State for the past year, and I have made the comparison so that we might know the facts, and when we know them, we can criticise, bearing in mind the significance of the figures. I do not say that the figures I have quoted include everything; they do not include, for instance, the Wyndham Meat Works, on which there was a loss last year and, in fact, on which there has been a loss for many years. The reason for the non-inclusion of those works is that we do not charge interest and sinking fund against the operation of the works, and, consequently, the Government have to find anything between £40,000 and £70,000 every year even when the works are operating. There are also other minor items which could be included, these increasing the total and bringing it approximately to the sum that was received last year from the financial emergency tax. In submitting these figures, I feel that the Government are entitled to take credit for having expended the amount of money they have done in

country districts in the development of particular industries and the assistance rendered to various sections of our primary industries. It is thus shown conclusively that there is no room for the rather caustic criticism levelled at the Government from time to time when we are obliged to say that we are not in a position to give all the assistance that is sought and certainly not in the position to give all the assistance we would like to render. There are limitations imposed upon the Government as a result of the policy of previous Administrations with regard to the development of the State and it is pertinent for me to remark, while dealing with this particular subject, that it is just as well to let our critics here and in the Eastern States, more particularly when referring to the question of the Commonwealth grant and so on, recognise that we have difficulties in this State which do not exist in the more developed States of the East. The policy of this Government will continue to be based on the desire to assist our primary industries to the best of our ability and as quickly as possible, but I am afraid I have to admit that the financial outlook is such that it is difficult to say whether it will be possible for this, or indeed any other Government to do more than the present Government have done during the last year or two. The figures speak for themselves and certainly cannot be questioned. In the course of Mr. Baxter's speech that honourable member referred to the allocation of license fees to the Commissioner of Main Roads for expenditure in the metropolitan area. Mr. Baxter emphasised that "these funds should be diverted to the agricultural districts, the roads through which are extensively used by people who pay their license in the metropolitan area." He also added that money was needed for the country districts, while an annual expenditure of some £40,000 in the metropolitan area was no longer warranted. Then he continued—

I desire it to be understood that my criticism is directed towards the financial policy which does not assist the agricultural districts.

I do not quite understand how the hon. member relates his strictures in this regard to expenditure made by the Main Roads Board under the statutory provisions of the Traffic Act and the Main Roads Act.

Hon. C. F. Baxter: The Act would have to be amended.

The CHIEF SECRETARY: It will be recalled that under the provisions of the Main Roads Act, all local authorities both metropolitan and country, were required to contribute from their traffic collections towards the funds of the Main Roads Board. Those contributions aggregated half the expenditure incurred by the board in any one year on the construction and maintenance of main roads. The proportion of such expenditure contributed by the local authorities was subsequently altered, but in 1932 the Act was amended, and the local authorities outside the metropolitan area were entirely relieved of their obligation to contribute towards the cost of the main roads.

Hon. H. Tuckey: And they appreciated that, too.

The CHIEF SECRETARY: Yes. That is overlooked by Mr. Baxter. The position now is that the local authorities collect their own fees, whereas in the metropolitan area the collections are made by the police and paid into the metropolitan traffic trust account. Under the 1932 Main Roads Amendment Act, 22½ per cent. of the fees collected in the metropolitan area—after deduction of 10 per cent. for collection and the cost of maintenance of the North Fremantle bridge, the Causeway, Perth-Fremantle-road and the Guildford-Armadale and Canning-roads—are allocated to the Commissioner to be specially spent on the construction, reconstruction, maintenance, and supervision of roads within the metropolitan area. The balance goes to the local authorities and it is used very wisely. I know that the body with which I am associated is always ready to receive the amount allocated and can always find plenty to do with it; in fact, the board would be pleased if the amount could be increased. The legislation embodying this amendment was brought down by the Government of which Mr. Baxter was a Minister. In fact, Mr. Baxter himself introduced the measure.

Hon. C. F. Baxter: I was aware of that when I was speaking.

The CHIEF SECRETARY: The hon. member made no reference to it. He just made the bald statement that the time had arrived when the money spent in the metropolitan area should be diverted to the country districts because so many motor cars, licensed in the metropolitan area, use the main roads in the country.

Hon. J. J. Holmes: It is a case of "Don't do as I do, but do as I tell you."

The CHIEF SECRETARY: I am simply stating the facts and I think they are rather interesting, as showing that here again, by the policy of successive Governments, there has been a definite endeavour made to assist the country districts, and it is pleasing to hear more than one member refer to the good work that has been carried out by the Commissioner of Main Roads and his staff. As members are aware, in the earlier part of this year I visited the Eastern States, with the exception of Queensland, and I had an opportunity of making a comparison between their roads and ours. Taking into consideration all our circumstances, I can safely assert that our roads will bear favourable comparison with any of those in the Eastern States.

Hon. J. Cornell: Have you been along the road between Merredin and Coolgardie lately?

The CHIEF SECRETARY: It would be a strange thing if someone could not find one or two roads that were not quite up to standard. I suggest that in due course even those roads might be improved. But let us get away from individual items or roads, and take them as a whole from the Far North to the Far South. No one will deny that, taking into consideration the big mileage, the work that has been done during the last few years reflects great credit on those responsible. Before any alteration could be made, it would be necessary to amend the Act. Mr. Baxter's criticism of the Government for a financial policy which does not assist the agricultural districts is therefore based on entirely irrelevant premises. There are good reasons why the funds collected should continue to be used as Parliament decided. The hon. member said, in effect, that the Commissioner is at his wits' end to know where to spend the money that comes to him from the sources under review.

Hon. C. F. Baxter: Yes, in a couple of years.

The CHIEF SECRETARY: The hon. member's remarks were submitted to the Commissioner and he informed me that what was said was certainly not the case, nor has it been so since the inception of the fund. He also pointed out that the widening and improvement of Stirling Highway has been, and is being paid from the fund, and there is still much to be done in that direction. The work proceeding on the Canning Bridge will be financed from that fund, as

will also the proposed new Fremantle bridge. As in the past, the money that is available is being applied to necessary and commendable works and I think that hon. members will agree the time is not yet—if ever it will be—when the money so collected and used in the metropolitan area should be diverted elsewhere. I feel sure that that statement will meet with the approval of Mr. Nicholson and other metropolitan members. With regard to Federal aid road expenditure, some references were made to that topic, although not many. In view of Mr. Baxter's remarks, it is interesting to note that last year's expenditure of Federal aid road money amounted to £538,000, of which not less than 97 per cent. was spent in the country.

Hon. L. Craig: Where it should be spent.

The CHIEF SECRETARY: Those figures do not require any further explanation on my part. They prove most conclusively that it is not possible to justify any criticism of the Government on the score of inadequate expenditure in the country as against that authorised in the metropolitan area.

Hon. J. Nicholson: Those figures show the position pretty well.

The CHIEF SECRETARY: I am giving the details in the form of information because hon. members might just as well know the facts and criticism should certainly be based upon the facts of the position and not be launched on the basis of what members would like that position to be. It must be clear that the Government will be faced with grave difficulty for many years to come.

Hon. G. W. Miles: It is a pity that more country members are not present to hear your statement.

Hon. L. Craig: At any rate the more important country members are present.

The CHIEF SECRETARY: When I was honoured by being appointed to the Leadership of this House, I informed members that I would endeavour to meet criticism in a reasonable way and that I would supply, to the best of my ability, any information that would have a bearing on matters referred to by members, as well as doing all I could to elucidate the many problems that they are faced with from time to time. Therefore I do not want it to be thought that I am quoting these figures or making statements from the standpoint of captious criticism of what has been said by hon. members. My statement is being made with a view to the House knowing the diffi-

culties of the various problems and the position that confronts the Government, so that members will be able to judge whether they themselves could have done any better.

Hon. E. H. H. Hall: The Minister's attitude is perfectly justifiable.

The CHIEF SECRETARY: If members desire to be fair, they will admit that the statements I have made put an entirely different complexion on the subject dealt with by Mr. Baxter when speaking to the motion before the House. I wish to reply to a statement made by Mr. Seddon when dealing with the deficit. It will be remembered that, when replying to the debate on the Supply Bill, I intimated that I would deal at a later stage with some of the points raised by Mr. Seddon in his review of the financial position. It may be recalled that the main inference to be drawn from the hon. member's remarks was that the deficit was attributable to a general relaxation in the Government's supervision over expenditure rather than to the reduction in the Commonwealth grant and payments for drought relief. When speaking last night Mr. Seddon again referred to the subject. He pointed out that "the total expenditure last year . . . exceeded the Estimate by £402,713 . . . thus it was on the expenditure side that the trouble arose and resulted in the Government showing such a large deficit on the year's transactions." The hon. member also made the rather remarkable statement, which he based on figures quoted by Mr. Baxter, that "the Government last year were not involved in expenditure as heavy as that of the previous year for the purposes of drought relief." That statement alone indicated that Mr. Seddon had accepted the figures quoted by another member rather than procure the actual figures that were at his disposal. That leads me to say that a review of the factors contributing to the excess expenditure mentioned by Mr. Seddon does not, I submit, substantiate the conclusions at which he arrived. For example, expenditure on drought relief from revenue, far from being less than that for the previous year, amounted to £161,520, or £113,470 more than the expenditure for 1935-36. That one statement goes to show how erroneous was the conclusion arrived at by Mr. Seddon when he made use of figures quoted by another hon. member. Under the one

heading I have mentioned, a fair percentage of the deficit is accounted for.

Hon. J. Cornell: I have never yet known any Leader of this House and his financial critics to agree.

The CHIEF SECRETARY: I am not here as a critic, but am content to give information. Actually drought relief last year absorbed £111,520 more than the amount of £50,000 originally provided in the Estimates. It will be admitted, I think, that the Government can claim with every justification that this item was one of the main factors in the creation of the deficit. As to the other components in the increase of £400,000 mentioned by Mr. Seddon, these, too, represented necessary and unforeseen expenditure. There was an increase of £171,698 in connection with the railways. That additional expenditure was caused largely through the provision for belated repairs, although the rise in the basic wage and the railage of water to drought-stricken areas also contributed to the increase.

Mr. Nicholson: How much was attributable to the increase in the basic wage?

The CHIEF SECRETARY: I cannot give the figures at the moment; I will deal with them later on in another way. A further £40,313 was required to meet payments for agricultural land purchases. The two remaining items of consequence were: Education, £26,175, and Electricity Supply, £18,364. The increase in Electricity expenditure was directed to expanding the earning capacity of that utility, while the added Education expenditure arose through the reclassification of teachers' salaries. In the aggregate, the items I have enumerated account for £368,070, or 90 per cent. of the total expenditure queried by Mr. Seddon. The balance, representing about £30,000, comprised a number of items of minor importance. Then again it will be recalled that Mr. Nicholson touched on this subject and contended that last year's expenditure should have been confined to an amount equivalent to that of the preceding financial year. He spoke of the Government "having spent money lavishly." Although disorderly on my part, I asked Mr. Nicholson questions on that particular point. The hon. member said, "the public accounts show that undoubtedly the expenditure was fairly lavish" and he added, "the fact that last year's expenditure was £611,000 in excess of that of the preceding financial year is in itself proof

that there has been extravagance." I asked the hon. member to point to one item that he considered extravagant, but, of course, Mr. Nicholson slipped back into generalities. I have already indicated to the House how the major portion of the money was expended, and I now propose to deal with the balance, namely, £208,582—an amount equivalent to the difference between the original estimate for 1936-37 and the expenditure during the preceding year. Last year's Estimates made additional provision on the previous year's expenditure as follows:—

		£
Special Acts	83,417
Governmental	74,016
Public utilities	51,149
Total increase	<u>£208,582</u>

The main increases provided for under special Acts were: Interest, Australian, £71,138; sinking fund, £20,529. There again interest plays a very important part. Under the heading of "Governmental" the principal increases were estimated as follows:—Chief Secretary, £13,475, comprising financial emergency remissions, aborigines, mental patients, etc.; Agriculture, £14,761, covering financial emergency remissions, administration expenses, locust destruction, State farms; Police, £9,263, comprising increased number of officers, new wireless equipment, financial emergency remissions to officers under the Public Service Act; Lands, £8,852, covering financial emergency remissions, additional cost of administering the rural relief grant; and Education, £24,499, covering financial emergency remissions, salary increments and additional staff. Increases allowed for in respect of Public Utilities were: Railways, £21,588, covering financial emergency remissions and re-classification, increased mileage to earn additional revenue; Tramways, £13,608, for replacements and re-laying further lines, and Electricity Supply, £10,147, covering financial emergency remissions, re-classification of staff and preliminary expenses on construction. While it is easy for some members to say that the expenditure during the last financial year was greater than that for the preceding 12 months, it is quite wrong to suggest that the Government's expenditure has been on a lavish scale, or that they have spent money in directions they were not entitled to. I could not refrain from thinking when Mr.

Nicholson was speaking that if we were to bear in mind the fact that there were between 6,000 and 7,000 men for whom the Government were supposed to find work, even though merely on a half-time basis, and considered the figures I have already quoted regarding the amount of money that has to be provided each year by the Government as a result of their policy that aims at providing work, which naturally involves considerable expenditure, it should be very easy indeed for members to see the necessity for the expenditure that has arisen. Then again there have been a lot of minor matters all of which involved additional cost, but I need not elaborate on those points. The mere fact that during the real depression years it was not possible for the Government to carry on and deal with all the work that ordinarily would have been attended to, should indicate to members that increased expenditure was bound to be faced. The question of "belated repairs" does not apply to the railways only, but to nearly every Government department. To do those things that should have been done in the last few years and have not been done would swallow up a tremendous amount of money, and I claim that the Government, in their efforts to be equitable to various districts and industries, have done a really good job. Members make statements that might be described as vague generalisations, but when we get down to tinctures, there is very little basis for the criticism. Mr. Seddon last night spoke about the revenue for the current year. Judging by his remarks he is under some misconception regarding His Excellency's observations in the Speech as to the anticipated revenue for the current year. It was stated in the course of the Speech—

Revenue for the current year will suffer a reduction because of the lower incomes received from production last year.

This does not imply, as Mr. Seddon apparently imagined, that revenue during 1937-38 is expected to fall below the level of last year's collections. It means simply that a proportion of the taxation losses due to the incidence of the drought will fall on this year's Budget. The paragraph in the Speech was merely a statement of fact that does not call for any criticism.

Hon. H. Seddon: It represents a reduction on last year, and a greater reduction on the previous year.

The CHIEF SECRETARY: The Treasury officials have been able to measure first of all the direct loss of income to the agriculturist and the pastoralist, and then the total loss of income to the community as a whole during 1936-37.

Hon. T. Moore: They all suffered alike.

The CHIEF SECRETARY: Having arrived at that figure the Treasurer has been able to estimate the consequential loss of taxation arising therefrom and the proportion of the loss that will be met during the current financial year. For example, it is known that nearly all land and income tax is collected in the year following that during which the income is earned, so that 100 per cent. of the loss will be felt this year. As financial emergency and hospital taxes are collected largely at the source the proportion falling on this year's Budget is necessarily very much smaller, namely about 40 per cent. After making similar determinations respecting the balance of the taxation items, the Treasurer is enabled to estimate with fair precision the amount of taxation that will be lost to this year's revenue through drought. I do not think any member will question that statement. A man who is earning wages has paid his emergency and hospital taxation week by week, but those who pay taxation on assessment naturally will not pay as much this year as they paid last year because taxation this year is based on the income of last year.

Hon. T. Moore: Unfortunately many of them will not pay anything this year.

The CHIEF SECRETARY: That is so. Let me now refer to the remarks of Mr. Parker, who dealt with the question of a new bridge at Fremantle. He indulged in some rather trenchant criticism of the proposal to erect a bridge of timber rather than one of concrete or steel. I feel sure that most of us would like to see erected at Fremantle what the honourable member visualised as an outstanding engineering work constructed of steel or concrete in preference to a less durable structure of timber. Unfortunately, the adoption of such a proposal has been outweighed by certain important considerations. I, as a member representing that district, would like to see a bridge that would be a monument to the skill of our engineers and workmen, but we have to face facts as we find them. I have already explained how limited finance is, but

I believe that the Government can be relied upon to do what is best in the circumstances whether it be in the building of a bridge at Fremantle, one over the Canning, one over the Ashburton, or one elsewhere in the North. It is imperative that something be done at an early date to replace the traffic bridge at Fremantle. That structure has stood for a long time and has been the subject of criticism for many years. On the other hand, I understand that with the erection of a permanent structure is involved the question of up-river extension of the harbour and again with this is linked up the question of the railway bridge which would be the first obstacle to such an extension. The original proposal was for a combined road and railway bridge entailing consequential extensive deviation and heavy land resumption costs.

Hon. J. J. Holmes: The land for that purpose was resumed years ago, was it not?

The CHIEF SECRETARY: I am afraid that mention of the resumption costs would astound most people who seriously suggest that we should build a bridge of the kind visualised by Mr. Parker.

Hon. J. M. Macfarlane: Soundings were taken at another site.

The CHIEF SECRETARY: A lot of preliminary work has been done at different times.

Hon. J. M. Macfarlane: We passed a Bill authorising the construction of the bridge.

The CHIEF SECRETARY: With the passage of time, possibly circumstances have altered in a way that might necessitate some modification of the original programme and entail the erection of an entirely different structure. The point I wish to make is that the financial position of the State being what it is, though not quite so parlous as Mr. Parker would have us believe, the time is not ripe for the erection of a bridge of the kind mentioned by him, unless we are prepared to construct it at the expense of many other districts. I do not believe that the Government would be justified in expending the money necessary to build a bridge of steel or concrete if it were necessary to say to other districts, "On account of building the new bridge at Fremantle it is not possible to give you what you have already been promised or what you should have."

Hon. J. M. Macfarlane: Those remarks, I take it, do not apply to the Canning Bridge.

The CHIEF SECRETARY: No, that bridge is being built. The Commissioner of

Railways has reported that the existing railway bridge at Fremantle will be good for a period of ten years at least, but there can be no question of delaying the replacement of the existing vehicular bridge for that length of time. A comparison of the cost of a new bridge of timber, as against a structure of concrete or steel, may serve to illustrate the tremendous disparity between the two. As compared with an expenditure of £80,000 for a new bridge constructed of timber, the cost of an alternative structure of steel or concrete, with the necessary contingent expenditure, would be in the vicinity of £650,000. The use of timber, too, would provide a fair amount of employment in the timber industry.

Hon. J. M. Macfarlane: I understood that the cost would be about £250,000?

The CHIEF SECRETARY: The £650,000 applies to a new railway and vehicular bridge combined, together with the resumption of land.

Hon. J. Nicholson: Are both estimates compiled on the basis of catering for both railway and road traffic?

The CHIEF SECRETARY: No, the £80,000 would be for a bridge for road traffic only, whereas the larger amount is for a bridge to take both railway and road traffic. When a combined bridge is built, it will have to be located on some site other than that at present used.

Hon. J. M. Macfarlane: To allow for harbour extension.

The CHIEF SECRETARY: Interest at, say, 5 per cent. on £650,000 would amount to £32,500 per annum, compared with £4,000 per annum interest on the cost of a timber bridge, a difference of £28,500 annually. In other words, a timber structure, as compared with one of concrete or of concrete and steel, would pay for itself in three years. Much as we would like to have a bridge of the kind indicated by Mr. Parker, the Government feel that they would be doing the right thing by constructing a bridge of timber. A bridge of timber could be made quite attractive; there is no need for it to be an eye-sore. If we could build an attractive looking bridge for £80,000 that would last for 15 or 20 years, I believe members would be satisfied and the people generally would agree that we had done the right thing.

Hon. H. Tuckey: I take it that wooden piles would not be used?

The CHIEF SECRETARY: I have not seen the plans.

Hon. H. Tuckey: The cost of replacing piles would be a big item.

The CHIEF SECRETARY: We have to rely on the advice of our experts, and I think we can confidently accept their advice. Mr. Elliott dealt with payments under the Mine Workers' Relief Act. He suggested that additional funds could be made available to compensate those men who had contracted silicosis. The increases in the benefits granted by the Government under the recently amended Scale I of the Mine Workers' Relief Act are very generous, as a comparison of the old and new scales shows, and will add considerably to the future liabilities of the fund. Under the old scale a married man or widower with children received £1 5s. per week, plus 5s. for each child under 16 years, with a maximum weekly payment of £2 5s. Under the new scale a man receives £1 5s., plus 7s. 6d. for each child, and £1 for his wife, with a maximum weekly payment of £3 10s. A widow, under the old scale, received from 10s. to £1 per week, plus 5s. for each child under 16 years, with a maximum of £2 5s. per week. Under the new scale, a widow receives 30s. per week until 60 years of age, plus 7s. 6d. for each child under 16 years, with a maximum of £3 10s. per week. On attaining 60 years, the widow's benefit is reduced to 12s. 6d. per week to render her eligible for the old age pension. With regard to Mr. Elliott's statement that "there can be no claim that lack of funds prevents adequate payments being made to men suffering from silicosis," I would emphasise that the potential liability under the Third Schedule in respect of mine workers already affected with silicosis is over £1,000,000, and the liabilities of the Mine Workers' Relief Fund are almost as great, as the benefits under Scale I of that fund, except in the case of children, are payable for life. Regarding the hon. member's reference to the gold profits tax, he will understand that the principal object of the tax was to recoup the Government some of the expenditure incurred on account of mining diseases in the past. In this connection it may be mentioned that the amount of compensation paid under the Miners' Phthisis Act, 1922, for the year ended 30th June, 1937, was £55,136. The total amount paid up to that date was £593,098, and the out-

standing liability is estimated at approximately £300,000, apart from other considerations. This tax, therefore, little more than covers the annual payments under the Miners' Phthisis Act, which are paid from Consolidated Revenue. It will be seen that it is very necessary to build up substantial reserves under both of these funds in order to meet future liabilities. With regard to the ore cartage subsidy paid in the mining industry, a certain amount of misunderstanding has apparently arisen in connection with the new regulations governing this subsidy. Both Mr. Elliott and Mr. Heenan appeared to think that the prospector had genuine grounds for grievance on this score. When the new regulations were introduced in February last, it was for the purpose of providing a scale of payments that would be more equitable all round. It had been found by experience that the former regulations were almost impossible to police, while, at the same time, expenditure thereunder was becoming almost prohibitive. Mr. Heenan suggested that the new cartage subsidy "has the effect of penalising the prospector who has gone further afield to work a low-grade ore." I have been informed by the Mines Department that this is not the case, and that, actually, prospectors some considerable distance from a State battery receive a bigger cartage subsidy on low-grade ore under the new regulations than they did under the old scale. Formerly the rates were as follows:—

For the first 250 tons—6d. per ton per mile.

For the second 250 tons—3d. per ton per mile.

For the third 250 tons—2d. per ton per mile.

For the fourth 250 tons—1d. per ton per mile.

Thereafter the subsidy ceased. The present subsidy is calculated as follows:—9d. per ton per mile, less 1s. 6d. per dwt. per ton recovered by amalgamation, with a maximum deduction of 12s. 6d. It should be noted that the deduction is not an imposition, but is used simply as a method of calculation in arriving at an equitable subsidy rate. I would also point out to hon. members that, under the new regulations, there is no limit to the tonnage entitled to the subsidy. I propose to quote a hypothetical case to illustrate that the low-grade producer some distance from a battery is better off under the new arrangement than formerly. A prospector mines

4 dwt. ore 25 miles from a State battery.
Payment per ton under the new subsidy is—

	s. d.
25 miles at 9d. per mile	18 9
Less deduction, 4dwts. at 1s. 6d. per dwt.	6 0
Subsidy on total production ..	12 9

The payment per ton under the old subsidy was—

First 250 tons: 25 miles at 6d. per mile— 12s. 6d.	
Second 250 tons: 25 miles at 3d. per mile— 6s. 3d.	
Third 250 tons: 25 miles at 2d. per mile— 4s. 2d.	
Fourth 250 tons: 25 miles at 1d. per mile— 2s. 1d.	

whereafter the subsidy terminated. Associated with this subject, I believe, is the matter of the re-treatment of tailings. Personally I know very little about mining procedure, and have to rely on advice given to me by the department. Reference was made to the price charged for re-treatment of tailings. In this connection I am informed by the Mines Department that the question of cheaper tailings treatment has been under consideration for some time. Unfortunately, the proportion of unprofitable tailings produced is increasing. The deduction of 10 per cent. to cover all losses included not only water, but losses by wind, cleaning up, etc. The percentage of ore crushed allowed for tailings has been increased by the present Government from 85 per cent. to 90 per cent. and is higher than that paid by almost all privately-owned batteries, and the tailing charges are considerably less, as well. Mr. Elliott was of opinion that prospectors were entitled to a reduction in lease rents. Having regard to the preliminary title available, and other factors, it seems to me, from the advice I have received, that the present rents are not unreasonable. Under this State's Mining Act, provision exists and is greatly taken advantage of by prospectors for the granting of prospecting areas. These cost only 10s. and can be held for 12 months, with the right of renewal for a further six months. This is one of the cheapest mining titles in Australia, and it gives the prospector a chance to prove the value of the ground. He is required to pay only the usual lease rent when, in the event of the prospecting area proving to be quite a payable proposition, he has to convert it into leasehold. The rent payable on leases is 5s. per acre for the first 3 months, and then £1 per acre per annum.

For a few moments I wish to deal with the remarks of Messrs. Wittenoom, Piesse and Thomson, the representatives of the South-East Province, who spoke at some length on group settlement matters. I submitted the remarks of the hon. members to the Minister for Lands, and his reply suggests that certain of the statements have been somewhat exaggerated, to say the least. Mr. Wittenoom, in describing his visit to the Denmark settlement, spoke of "kiddies with hardly any clothing, and men and women in pretty much the same state." As hon. members know, the Women's Immigration Auxiliary Council exercise a very close surveillance over matters appertaining to the health and physical welfare of group settlers generally. A representative of that body, Mrs. Dean, has visited the Denmark district on several occasions and is emphatic that there is no shortage of clothing amongst the settlers there. While I do not know the lady very well, I know from the reports I see from time to time and statements made by the Minister associated with group settlement that the work done by this body, and particularly by Mrs. Dean, is very valuable. I think we must take some note of what this lady says, especially in view of the fact that she has visited these areas for the purpose of investigating the conditions of women and children particularly. I have a note to the effect that 75 boxes of clothing have been distributed this year. Whether this clothing was needed as a result of the disastrous bush fires in the early part of the year, I do not know. We have to determine, in view of the assertions of Mrs. Dean, whether the statements of the hon. members mentioned are quite in accord with facts, and whether the position is as bad as it was stated to be. In making that assertion, I do not want it to be understood that I am of opinion that the children of group settlers in the Denmark district have everything their parents would like them to have. Not for a moment would I make a statement of that kind. But apparently there is not the hardship there which has been suggested. Mr. Wittenoom also added that "children are sickly and under-nourished." Such a condition seems, in the circumstances, scarcely credible. The Women's Immigration Auxiliary Council has arranged for medical attention where necessary. As to under-nourishment, the Bank Commissioners state that settlers in those districts should experience no difficulty in producing milk, butter,

poultry, eggs and vegetables in sufficient quantity to feed their families.

Hon. J. M. Macfarlane: Not when 11 cows give only four gallons of milk.

The CHIEF SECRETARY: There may be a reason for the small production in that district. I know from my experience of that district four years ago that there was not any great difficulty in finding the necessary supplies which I have enumerated. It was suggested, too, by Mr. Wittenoom that "the country is over-stocked." To this the Commissioners have replied that branch managers are instructed to prevent settlers stocking beyond capacity. I understand that their judgment has been exercised most conservatively. Carrying capacity naturally hinges on feed conservation, and is a matter entirely in the settlers' own hands. The Commissioners have not forced cattle on to any holding, but have, in many cases, withheld supply where the fodder position has been considered insecure. It is not contested that there is a certain period, as the hon. member has pointed out, when "the monthly cream cheque is down to almost nothing." Members will realise, however, that the average monthly cheque for the whole year is the only reliable guide to settlers' earnings. I understand that the trend is to bring cows in early and if possible all at one time, so that with a nine or ten months' lactation period there would be two or three months of the year when butterfat cheques would be very small.

Sitting suspended from 6.15 to 7.30 p.m.

The CHIEF SECRETARY: Before tea I was dealing with remarks made by Mr. Wittenoom, Mr. Piesse and Mr. Thomson regarding group settlements in the Denmark area. I now desire to refer to the question raised by those hon. members concerning the linking-up of holdings. The Agricultural Bank Commissioners advise me that there are 159 group settlement holdings in the Denmark district, of which 90 are occupied. Here I may mention that the figures quoted by Mr. Piesse were 200 and 70 respectively. That is a material difference. Additions by linking have been made to 46 blocks, of which 34 are occupied.

Hon. L. Craig: Perhaps Mr. Piesse's figures referred to the number of groups before the linking took place. That would bring the figure up to the 200.

The CHIEF SECRETARY: I would not like to say.

Hon. L. Craig: It may have been so.

The CHIEF SECRETARY: The figures which I have just quoted are the official figures supplied by the Agricultural Bank Commissioners. Some of the South-East members have suggested that more holdings be linked, although Mr. Wittenoom considers that the settlers "would probably be worse off than at present" if such a policy were pursued, "as they are hopelessly loaded with debt." I would like to make the comment that those holdings have been written down to a value on which it is considered the settlers are able to meet the charges. If the settlers are going to increase their holdings and thus increase the charges against them, it is necessary that they have a higher production; otherwise they will be worse off. The Commissioners agree with that view, because they say that "the linking of holdings is not regarded as a panacea." On the other hand, they urge that increased productivity and revenue can only be achieved by the application of intensive farming methods. Mr. Thomson made a statement to the effect that "there is a policy, if not of deliberately evicting settlers, yet of making the position intolerable, and thus compelling them to go." I have made inquiries, and I can get no information of any particular case that may have prompted such a sweeping statement as Mr. Thomson's. Certainly I cannot allow it to pass without contradiction. Admittedly there have been cases of dispossession, but the Agricultural Bank have only enforced the security when it has been proved, after investigation, that the settler's chances of success are hopeless. I should say, again from my knowledge of the district, that it is far better in those cases where the position is absolutely hopeless, where probably the man and his family are not suited for that form of occupation or where for other reasons one cannot expect them to be successful, that the Agricultural Bank should terminate whatever contract exists. The Agricultural Bank Commissioners have given me details of a case which is probably typical of the cases I have just mentioned, where the Commissioners have come to the conclusion that the settler's chance of success is so small as to render the position hopeless. Repossession was recommended by a branch inspector

and a chief inspector. The mortgagor is a good worker, but lacking in managerial capacity, with the result that he has drifted into a hopeless position. The general home surroundings are such as cannot be tolerated on a dairy farm. The settler's wife desires to vacate. In the circumstances it was felt that for the settler's own benefit the holding should be repossessed. I feel sure that most of the members who have gone through the group settlement areas can recall more than one instance where a similar impression was conveyed to them. Reference was made by Mr. Piesse to the fox menace. The hon. member expressed the hope that the Government would not reduce the present bonus. Mr. Craig last night made reference to the question of dogs—I think the hon. member was referring particularly to the North. I have here some information which I propose to give to the House. With regard to the reduction of the bonus on foxes, the Government's attitude, which I think their action of last year plainly illustrates, is to do everything possible in the matter. Last year the Minister for Agriculture decided to pay a bonus of 2s. 6d. per scalp for foxes, despite a recommendation by the Vermin Advisory Board that payment of the bonus should be discontinued. No doubt the board would have a good reason for their recommendation.

Hon. L. Craig: The board have altered their recommendation since then.

The CHIEF SECRETARY: Yes; but at that time the board would have had a very good reason, a financial reason, for making that recommendation.

Hon. L. Craig: Finance was the only reason.

The CHIEF SECRETARY: However, the Minister for Agriculture agreed to the payment of a bonus of 2s. 6d. per scalp. While Mr. Piesse has urged that the present rate might well be doubled, he will realise that the amount of bonuses paid for animals and birds declared vermin under Section 100A of the Vermin Act is governed by actual collections which are made under that Act and which go into the Vermin Trust Fund Account.

Hon. L. Craig: The work cannot be done with the present revenue.

The CHIEF SECRETARY: I would also urge that in view of the present financial position of farmers and pastoralists gener-

ally, it would not be advisable to increase the rates, although the rates at present collected are only half the maxima which may be levied under the Act. I am also advised that there has been some improvement in the fund since 1935-36, in which year the collections were the lowest on record. At that time, moreover, the fund was in debt to the Treasury. It is doubtful, however, whether there is sufficient money available to permit of any increase in any of the bonuses at the present time. In any case, however, the matter is receiving the attention of the department and of the Government; and it will be found, I think, that if it is at all possible to do anything better than we have been doing quite recently, it will be done. I have some figures here regarding the number of scalps on which bonuses have been paid. During the last three years bonuses have been paid on 83,689 fox scalps—1935, 24,089; 1936, 32,711; 1937, 26,889. I have also some figures with regard to wild dogs. Mr. Piesse suggested that wild dogs were multiplying rapidly owing to the very small bonus paid on scalps.

Hon. V. Hamersley: And to the depature of many of the young fellows from those areas.

The CHIEF SECRETARY: The Department of Agriculture consider it doubtful whether what Mr. Piesse suggests is actually the case. I am informed that the dry season has been largely responsible for the apparent increase of dogs in certain areas. I know that is so in a district with which I am acquainted.

Hon. H. Tuckey: This is no new trouble. It has been going on for years.

The CHIEF SECRETARY: But there has been an increase in the number of dogs in certain districts. It is claimed by the Department of Agriculture that that arises from the fact that we have been experiencing very dry seasons, with the result that the sheep are weaker and therefore fall a more easy prey to the dogs. In 1935 the bonus was paid on 10,801 scalps, in 1936 on 10,932, and in 1937 on 11,302.

Hon. L. Craig: Those are not the figures I got from the department.

The CHIEF SECRETARY: As the result of the hon. member's remarks last night, I again submitted the question to the department, and they have supplied me with a little more detail, which may be informa-

tion to the hon. member and the House generally with regard to dogs. Figures are given in the following table:—

—	Upper Gascoyne.	Ashbur- ton.	Murchi- son.	Meeka- tharra.	Total.
1935	22	72	24	271	389
1936	98	271	45	479	893
1937	102	116	28	353	699

During 1934 the bonus paid for dogs was £2 for practically the whole of the 12 months. Since then the rate has been £1.

Hon. L. Craig: That is hardly a fact, because the road boards and the pastoralists also contribute, and in the North the bonus is up to £3 and £4.

The CHIEF SECRETARY: I was interested in the remarks made by the hon. member last night. I think he said that on a station in which he was interested the bonus was no less than £4, showing that the pastoralists in that district, at any rate, realise the menace the dogs are, and are prepared to help themselves as far as they possibly can, with a view to eradicating the pest.

Hon. L. Craig: It is a matter of dire necessity.

The CHIEF SECRETARY: The department advises me that during 1934 the amount paid for scalps was £2 for practically the whole of the 12 months, but that since then the rate has been reduced to £1. They go on to talk about the dry season and its prejudicial effects upon the position, and then they say that during the past three years the Treasury has had to come to the assistance of the fund by providing an advance account to enable bonuses to be paid. This year, however, there is a slight credit balance. To double the bonus on dogs and foxes, as suggested, would need an annual sum of about £34,000, whereas the average collection for the last four years amounted to £20,668 per annum, last year's figures being £21,203. The hon. member will see that his remarks were noted and I can assure him that if it is possible for the department to do anything to improve the position it will be done. Mr. Hamersley in his remarks referred to the provision of domestic science and manual training facilities in country schools. He thought that those branches of education had been neglected. The Education Department have submitted the following reply:—

Domestic science is taught at all the large country centres at the present time. The cost of equipment of each centre is approximately £200, and of the room £500. It will be seen therefore that the expense of establishing cen-

tres prevents the extension of instruction in this subject to smaller schools.

Continuing, the reply goes on to deal with another matter raised by the hon. member as follows:—

The contention that the instruction in metropolitan schools is not satisfactory for country conditions is wrong, for in all the metropolitan centres cooking and laundry work is done with wood fires as well as with gas and electricity.

The hon. member had suggested that because gas or electricity is used in those centres the training would not be of much value in country districts. I am assured that wood fires are also used.

Hon. J. Nicholson: I happen to know that they do that.

The CHIEF SECRETARY: It is also pointed out in the department's reply that the instruction in domestic science needs special training in addition to the ordinary training as a teacher. This entails additional expenditure. Coming to manual training the department states—

To equip a full-time manual training centre an equivalent expenditure on buildings and equipment is required as in domestic science, namely, £200 for equipment and £500 for the room. Full-time centres are in operation in all large towns. In addition, the department has provided a modified course in a number of smaller schools during the past two years. The expense of these is approximately £35 to £40 for equipment for every four boys. Where possible the department has provided a cheaper set of tools when the Parents and Citizens' Association has donated benches, but the instruction in such centres is not so satisfactory, for the teachers have not the same degree of training and efficiency as in the full-time centres. With the money at its disposal the department has been fully alive to the need for extending both domestic science and manual training to country centres, especially during the last two years.

When we come to consider this statement, especially in regard to the cost of establishing these centres, it is easy to realise that with the financial limitation placed upon the Education Department we can hardly expect that the smaller schools should be equipped to the extent that we should like to see. Then there is the other point that courses of this kind may necessitate the utilising of special experts, and I am afraid we must admit that not every teacher is qualified for the task. Mr. Thomson, referring to the grant of £14,000 made available by the Commonwealth Government to provide vocational training for unemployed youths, suggested that the State Government had decided to

spend the whole of that amount in the erection of buildings and the provision of equipment, and that the Government should have found some other ways of spending that money. The position is that the Commonwealth Government when advising the State Government that the money would be made available pointed out that it was for the purpose of training and securing employment for unemployed youths between the ages of 18 and 25 years. The Commonwealth Government intimated that in preparing proposals for its approval preference should be given to those suggestions that would enable the greater part of the Commonwealth contribution to be used for capital expenditure associated with the purchase of land, the erection of buildings, the installation of machinery and equipment or the provision of material. The proposals for the provision of equipment and plant were submitted by the Superintendent of the Perth Technical College and were made at the request of the Minister for Employment for consideration by Cabinet. It naturally follows that the use of the £14,000 received from the Commonwealth Government for capital expenditure will entail upon the State Government the provision of funds with which to meet maintenance and other costs. Additional proposals have been forwarded to the Minister for Employment by various organisations. The whole of the proposals will receive the most careful consideration before being submitted to the Commonwealth Government—if it is thought reasonable that they should be submitted—for approval. It should be pointed out, however, that the amount of £14,000 is totally inadequate to deal with the problem of unemployed youth; but it is the intention of the Government as early as possible to put into operation a scheme which it is hoped will assist the youth who today is unemployed. That this Government have not been unmindful of the youth problem is shown by the fact that it appointed a Royal Commissioner to investigate the problem—no other Government in Australia has done that—and a report is expected shortly. It would have been presented long ago but for the ill-health of the Royal Commissioner. During the course of the debate reference was made to the funds raised by the Jubilee Appeal for Youth and Motherhood. In the allocation of those funds a considerable proportion of the amount subscribed by the public was set aside for vocational training. Up to date

close on 200 youths have received technical training, and of these nearly 50 per cent. have obtained employment. I am not suggesting that this is as good a report as we should like to be able to make, but at all events it does show that we have been actively engaged on the problem. Mr. Thomson objected to the proposed allocation of the £14,000 I have referred to, because the greater proportion of the money may be expended in the more populous centres. Naturally, the problem is greater in the metropolitan area than anywhere else. Endeavours were made to establish vocational training classes in country centres the cost of which it was proposed should be met from the Jubilee appeal fund; but in some cases the response was so small as not to warrant the establishment of any such classes. If Mr. Thomson is of the opinion that there are certain districts where those classes could be successfully established, it might be found desirable to attempt their establishment. Mr. Macfarlane referred to the menace represented by the importation of margarine. I am informed that the hon. member is apparently not in possession of the true facts regarding the consumption of margarine in this State and other States of Australia. He would appear to have confused margarine—which may be used in competition with butter and is known as table margarine—with margarine that is specially made for the biscuit, cake and pastry trades and which does not compete with butter.

Hon. L. Craig: It does, indirectly. It takes the place of second and third grade butter.

The CHIEF SECRETARY: I am informed that the greater part of the margarine imported into this State is of a type that does not compete with butter, but is used in the pastry and biscuit trades.

Hon. L. Craig: We are exporting second and third grade butter to England because there is no demand for it here.

The CHIEF SECRETARY: Regarding the observations of several members to the effect that these margarines are the products of coconut oil and whale oil produced outside of Australia, I am advised that this is not the case. Practically all the oils used in the manufacture of margarine are now produced in Australia either as by-products from the meat industry or from certain agricultural crops which may be grown in tropical regions of the Continent. All these industries are being developed un-

der Australian conditions and with Australian labour. I should also like to deal with the hon. member's statement that all other States except Western Australia have either enacted legislation to check the competition of margarine or are doing so now. It will be remembered that an amendment to the Dairy Industry Act was passed by this House during the last session which would require that all margarine sold in competition with butter should be coloured a distinctive colour. I understand that a similar Bill has already been passed by Victoria. It was found that unless similar legislation was passed by all States it would be impossible to enforce that requirement. There is no means under the Constitution of preventing margarine, manufactured in another State, from being imported and sold even though it does not possess this distinctive colour.

Hon. L. Craig: Section 92!

The CHIEF SECRETARY: The situation can only be overcome by all States agreeing to the principles embodied in the legislation we passed. The facts are that of the six States only the two mentioned have actually passed the legislation desired by the hon. member. This matter was discussed recently by the Council of Agriculture at a conference held in Brisbane. This was attended by the Minister for Agriculture (Hon. F. J. S. Wise), who advises that although there was a good deal of discussion, no immediate decision was arrived at.

Hon. L. Craig: It seriously affects Queensland, because that State is producing the raw material which is converted into margarine.

The CHIEF SECRETARY: All I know at the moment is that no decision has been arrived at, and therefore the matter will probably be the subject of further discussion. In the circumstances the working agreement made by the Minister for Agriculture with importers of margarine, to limit the importations to this State to 200 boxes per week, is highly satisfactory. I think Mr. Macfarlane was somewhat critical because the Minister for Agriculture had entered into that agreement. I am informed that local importers have honourably kept to the agreement with the Minister, and in some cases have gone so far as to limit the requirements of certain distributors. The department realise that table margarine may be a serious competitor with butter;

on the other hand provided the product is produced under the same conditions as is butter, and is not sold in any way that will confuse it with butter, there can be no real objection to the importation of margarine. Until such time as all the States take the action we have taken no adequate control can be imposed.

Hon. J. J. Holmes: It is used in the manufacture of biscuits, in which we do an enormous trade.

The CHIEF SECRETARY: Yes, an export trade, particularly, I understand, from Fremantle.

Hon. G. Fraser: All the good things come from Fremantle.

The CHIEF SECRETARY: That is one pleasing aspect of the development of local industries in that we are able to compete in some directions with the Eastern States. Not many years ago the biscuits that were available in country stores and hotels mainly came from the Eastern States or overseas. To-day the best places stock Mills & Wares' biscuits.

Hon. J. Cornell: Plaistowes have done better than anyone else in that respect.

The CHIEF SECRETARY: I know they have done good work in their particular lines. I do not like to pass over the remarks of any member, but some of the matters raised have been of a trifling nature. Whilst I could speak at great length on some of the matters which have been raised by Mr. Hall, I think I need only refer to one or two items. He alluded to many things that he considered were unsatisfactory. He suggested that the present Government, being a Labour Government, carried out the policy of the Labour Party, which was determined at Party conferences. He thought it was strange that these things should be done by the Government, and wondered whether the conference would have agreed. I have made inquiries into some of these matters. The question of sustenance was one on which the hon. member was severely critical. The sustenance rates in this State will compare more than favourably with those of any other State in the Commonwealth. They are based on a payment of 7s per head per week. Naturally the department, which is dealing with the whole State, when cases are referred to it from very distant places, as well as from parts of the metropolitan area, must of necessity find some difficulty in dealing with them all. Problems may arise which are somewhat different from those which occur in the majority of cases. The hon.

member, in referring to one particular case, said that it took from the 6th February to the 8th May to get for the person concerned that to which he was entitled. Is the hon. member of the opinion that because a person applies for sustenance and gives certain information he is entitled to it at the rate and in the amount for which he applies? These things do not work out automatically. It is necessary that some inquiry should be made.

Hon. L. Craig: I should say so.

The CHIEF SECRETARY: Inquiries were made into this particular case. The department tells me that the matter referred to by Mr. Hall occurred in the Geraldton district. When the person applied in January of this year two of his sons were in employment. In fixing the father's rate at 14s. regard had to be paid to the other income enjoyed by the home. That sort of thing arises in the metropolitan area. It is necessary for the department to safeguard its funds because if it paid away money unjustifiably to people who were not entitled to it, someone else might have to go short. The total average earnings on relief work for the husband, plus the earnings of the children, brought the income of the home to £4 10s. a week. Mr. Hall was informed of the position on the 17th February. He quoted that date. It appears that on the 19th April, Mr. Hall again approached the department when further inquiries were made, and the rate of the husband was increased to 21s. on the 8th May. No representation was made by Mr. Hall between the 17th February and the 19th April. Yet he tells the House that it took from the 17th February to the 8th May for the man to get that to which he was entitled. If the department is not satisfied concerning a case it is entitled to make inquiries, and give a decision on the lower basis, and when it is satisfied that the amount should be raised it is entitled to increase it, endeavouring at all times to do an injustice to no one. I could say much the same in respect to the other cases. All of them had to be dealt with in accordance with the facts as they are known to the department, which has access to information often not available to members. This frequently puts a different complexion on a particular case. The question of railway rates was dealt with at length by the hon. member. He criticised the Government concerning the flat rate charged by the Midland Railway Co. He made it clear that the Government had

been very remiss. He quoted certain rates on particular classes of freight over particular distances and between particular centres. I referred the matter to the department. I have been supplied with some information which I will give to the House, with a view to dispelling any idea in the minds of members that the Government left undone something that ought to have been done. After Mr. Hall had compared the local rates with what is known as the port-to-port rates, and the rates as between rabbits and fish, he asked, "How on earth can the Government continue to allow such an inequitable set of affairs?" My reply is that the rates on the Midland Co's. line were made in accordance with Clause 14 of the contract for the construction of the line, and have been approved from time to time by various Governments. I am advised that when rates have been approved it is not the function of the Government to vary them, but that the matter rests entirely with the company. According to the hon. member, what ought to have been done, and could have been done, was that the Government should have said to the company, "Although we approved of a particular rate as between A and B, so many years ago, we do not approve of it to-day, and therefore you must reduce your rate to whatever figure is desirable." Apparently the Government have not that power. They have the right to approve of a rate when it is submitted by the Midland Railway Company, but unless the company is prepared to submit a variation, it is not within the power of the Government to say another rate shall be imposed. I am informed, however, that, taken over the whole field, there is not a great deal of difference between the rates over the company's lines and those operating on the Government line. It is quite easy to point to one particular item where there appears to be a disparity calling for explanation. It is true that the company charges local rates but, when the consignment involves Government mileage, as well as the Midland company's mileage, the charge on the former is on a throughout mileage basis. That is to say, as far as the Government mileage is concerned, the consignee gets the full benefit of the rates for long distance haulage. I should like to have referred to the remarks of the hon. member who expressed concern about freight charges on fish. Fish is a valuable product of the sea, and large quantities are received

at Geraldton for transport to Perth and Fremantle, and quite a considerable trade is done in that way. The hon. member mentioned certain rates, but they were not quite correct. I am advised that the rate in operation for years past has been £5 per ton, with a minimum of one ton. The hon. member said that the minimum was two tons.

Hon. E. H. H. Hall: Like Mr. Craig, I got my figures from the department, and they told me the minimum was two tons.

The CHIEF SECRETARY: I will tell the hon. member when the two-ton minimum operates. The hon. member has taken the two-ton minimum, which applies only when bogey trucks are necessary.

Hon. E. H. H. Hall: You do not want to send fish down by day trains, do you?

The CHIEF SECRETARY: Fish is a product that the Railway Department haul in quite a satisfactory manner.

Hon. E. H. H. Hall: That is where you have been led astray by the department.

The CHIEF SECRETARY: I do not propose to enter into a debate with the hon. member.

The PRESIDENT: I remind the hon. member that this is not a dialogue.

Hon. E. H. H. Hall: No, it is a solo.

The CHIEF SECRETARY: The minimum freight is one ton, and any ice used is charged in the weight. Exclusive use of the truck is given, and the transit is by passenger train. The minimum of two tons is only enforced, as I have already said, when a bogey truck is required. The hon. member would not expect a minimum of one ton to be put into a bogey truck. That would be a ridiculous proposal. The charge, for a distance of 306 miles, cannot be considered unreasonable. Compared with rabbits at 50s. per ton, with a minimum of three tons, it is not out of proportion when the value of the two consignments is taken into consideration. This, after all, is one of the main factors in the calculation of railway rates. The hon. member also mentioned a consignment of 148 dozen crayfish, for which £7 17s. 9d. was charged. These were conveyed by passenger train at half parcels rates, which is considered reasonable. The hon. member's calculation, however, is somewhat misleading as the cost per dozen is just slightly over 1s. and not 1s. 5d. as he mentioned.

Hon. E. H. H. Hall: That is the only rate that applies.

The CHIEF SECRETARY: With regard to the port-to-port rate of 50s. per ton which has been in operation between the metropolis and Geraldton, this was introduced when there was boat competition, and all the Geraldton traders were obtaining their supplies by sea. There is nothing unusual in that; it is done in other parts of the Commonwealth and of the world, as well as in Western Australia, so as to meet the particular competition by one firm when transport at a particular rate is given by another firm. It appears that the Geraldton traders were getting their freight by boat, and as a result of that the railway company reduced their service between Geraldton and Perth. Naturally, as business was not offering, they were not running the trains. Then, as a result of representation, the Midland Company, after listening to protests of the Geraldton townspeople in particular, decided, as a means of restoring the trade service, that they would reduce the rate between Perth and Geraldton to 50s. per ton. That was submitted to the Government, and agreed to. So I do not know that Mr. Hall, or anyone else, has much to complain about in that regard. It was done at the request of the Geraldton people: they were given the cheap rate of 50s. per ton for a distance of over 300 miles, and now the hon. member contends that the freight rates to stations between Geraldton and Perth should be on the same basis.

Hon. E. H. H. Hall: The Act gives the Minister power to approve of the rates.

The CHIEF SECRETARY: Yes, if the company submits the rates. I have already told the hon. member that the Government have power to approve of the rates fixed by the company, and that is something the hon. member should bear in mind when criticising in the manner he was doing the other night. Generally speaking, there really is very little difference between the rates on our trains and on those of the various centres between Perth and Geraldton over similar distances.

Hon. E. H. H. Hall: That is incorrect.

The CHIEF SECRETARY: I said "generally speaking." The hon. member of course may quote one particular instance. We know of the old saying that one swallow does not make a summer, and that can apply to the hon. member. He also ex-

pressed concern regarding the Education Department's activities in certain parts of his electorate. He quoted one case at Perenjori, and complained—I think he read a letter—about the lack of accommodation at the school there. While it would be quite possible to say that there are many schools in the State worse off than that at Perenjori, that would hardly meet with the hon. member's approval.

Hon. E. H. H. Hall: I quite believe it.

The CHIEF SECRETARY: I propose to give the hon. member some information as it has been supplied to me by the department. The existing building provides accommodation for 50 children, while the average attendance is 52. It cannot therefore be said that the school is seriously over-crowded. Because two teachers are compelled to teach in the one room, however, the department some time ago requested that an additional room should be provided as soon as funds could be made available, and the matter is still receiving the consideration of the Treasurer. The hon. member in his desire to show us how much notice he takes of communications he receives from various centres in his electorate, forgot to give us the date of the communication he received.

Hon. E. H. H. Hall: Yes, I gave it.

The CHIEF SECRETARY: It is the desire of the department to see that accommodation is provided for every child, but there must be occasions when this cannot be done immediately, and the best possible arrangements are made. Schools are progressively being improved to the extent of being fitted with new desks, and better accommodation provided. With regard to the High School at Geraldton, I have received some information in reply to the statements made by the hon. member, who complained about certain work not having been done.

Hon. E. H. H. Hall: And I mentioned the work that had been done.

The PRESIDENT: I hope the hon. member will refrain from interrupting.

The CHIEF SECRETARY: A sum of £324 10s. has been spent on repairs to the school and quarters, and £2,434 spent on school buildings in Geraldton. Thus it will be seen that that town has not been neglected to the extent the hon. member would have us believe.

Hon. E. H. H. Hall: I simply stated facts.

The CHIEF SECRETARY: I am advised by the department that the high school section of the Geraldton District High School teaches children up to the leaving certificate stage in all subjects, including science. A special science room was provided and apparatus installed for teaching physics and chemistry. The head teacher elected to take agricultural science as the subject for the leaving certificate. The present head teacher has requested that the department should extend the course to include biology and hygiene and arrangements are being made by the department to supply school apparatus and material required for those subjects. The school will then provide a full science course. Just for information I should like to state that since its inception the district high school at Geraldton has an excellent record in leaving certificate examinations as the following figures will show. In 1934 five were presented and five passed; in 1935 eight were presented and seven passed; in 1936 five were presented and four passed. That school's record in respect of junior university certificates is equally good. Generally speaking, the equipment for school purposes in that school is as serviceable as that of any other State school. I look upon many of these matters as being really trivial, but I felt that in justice to the hon. member, who spent a lot of time in dealing with them, it was desirable I should offer replies. Now I should like to refer to the question raised by Mr. Miles with regard to Yampi Sound. I am pleased, and no doubt the Government will also be pleased to know, that in the newspaper this morning there was published an assurance that the Federal Government did not propose to interfere with the arrangements for the opening up of the iron deposits at Yampi. I am prepared to admit that it means so much to all concerned, and I have no doubt that there is a huge valuable deposit of iron ore on the island that will be opened up, and will provide work for a large number of men for a long time. It will have the additional effect of encouraging trade in other directions and, I hope, although there are difficulties in the way, it will result in assisting the cattle industry in the North. There are many other ways in which the opening up of these deposits will prove to the advantage of the State, and particularly the Far North. It has always been strange to me that there should have been, at any time, any suggestion that the Commonwealth Government were likely to interfere with the arrangements made, particularly in view of

the fact that at all stages of the negotiations connected with this proposal, the Commonwealth Government were taken into the confidence of the State Government by being supplied with all the information available to ourselves. While it is within the scope of the State Government to deal with leases as they have, it is within the province of the Federal Government to prohibit the export of iron ore if they feel it desirable to do so. In view of the fact that such a large sum of money has already been spent, and upwards of £12,000 is being spent monthly by the company in connection with the proposal, it would have been particularly hard upon them if they had been forced to close down as a result of action by the Federal Government, as was suggested recently.

Hon. J. Cornell: There has been no public statement to the effect that the Commonwealth Government intended to do anything.

The CHIEF SECRETARY: No, but there has been a lot of kite-flying and propaganda.

Hon. J. Cornell: In war parlance there have been "furfies" or mulga wires.

The CHIEF SECRETARY: The hon. member can call them what he likes, but he must recognise that the position was being regarded rather seriously by those persons who understood it. The suggestion that there was a possibility of the Federal Government placing an embargo on the export of iron ore from the State was a very serious matter to the people concerned.

Hon. J. Cornell: What did the Minister for External Affairs, Sir George Pearce, say yesterday?

The CHIEF SECRETARY: I have some references to what Sir George Pearce said. For instance, he said—

The Government have no desire unnecessarily to deny to any foreign countries access to our raw materials. The Government have in mind a general survey of the iron resources of Australia in order that it may be ascertained whether the total Australian supplies are more than adequate for the anticipated future needs of the nation. The State Governments have been asked to await the final results of the survey before granting any further mining leases or other mining rights which would have as their objective the export of iron ore to foreign countries.

Hon. L. Craig: But others are already exporting iron ore to foreign countries.

The CHIEF SECRETARY: Exactly, and that made it all the harder to understand the kite-flying that has been indulged in, perhaps on account of private interests, that indicated the Federal Government's inten-

tion to prohibit a trade that has continued for so long, without the Commonwealth authorities having anything definite to say about it.

Hon. J. Cornell: What did the Government tell Senator McDonald the other day?

The CHIEF SECRETARY: Senator McDonald asked the question, "Have the Government decided to prohibit the export of iron ore from Yampi Sound to Japan?" Sir George Pearce answered that question in the negative. It is remarkable that, after all the correspondence that has passed between the State Government and the Commonwealth Government on this matter, that is the first intimation that we have had. So, I say, that the protests that have been made by the State Government have been perfectly justified. Nevertheless, I am very pleased to have this intimation through the Press, and I assume that the reply that will come from the Federal Government to the correspondence addressed to them by the State Government, will confirm what appeared in this morning's issue of the "West Australian."

Hon. G. W. Miles: The Commonwealth Government have as much right to seek information in this instance as Mr. Hall, for example, had to seek information regarding sustenance matters from the State Government.

The CHIEF SECRETARY: Undoubtedly the Federal Government had every right to seek information, but, as I have already explained, the State Government provided the Commonwealth Government with all the information at their disposal at all stages of the negotiations, and so they were fully aware of the conditions laid down, and so forth. The Commonwealth Government even went so far as to agree to the company involved in this particular proposition having three Japanese representatives on the island for the purpose of testing the ore that was to be obtained. That in itself shows that the Commonwealth Government were well aware of what was taking place. The trouble, as I said, is that apparently the suggestion was made that nothing should be done until the proposed survey of the iron ore deposits of Australia was completed. Anyone with experience in such matters must be aware that a survey of that description would take a long time, perhaps years. The suggestion appeared to be that the State Government were to wait until

the survey had been completed, in which event, of course, I do not think there is any doubt that the company concerned could not possibly carry on their operations. The suggestion was unwarranted, particularly in view of the fact that iron ore has been exported from the Commonwealth to Japan for years past to the extent of some 200,000 tons per annum.

Hon. J. Cornell: The British nation has decided to re-arm.

The PRESIDENT: Order!

The CHIEF SECRETARY: I will deal with one or two remarks made by Mr. Holmes. On his return from a visit to the North, he was rather eulogistic with regard to some matters, and he made special references to the improvements effected regarding hospital services both for white people and for natives. My experience of Mr. Holmes is that when he starts to shower a few bouquets, one should look for niggers in the woodpile.

Hon. J. J. Holmes: And I find a good many, too.

The CHIEF SECRETARY: Running true to form, Mr. Holmes, after showering bouquets on the departments concerned, suddenly became very critical as usual. I would not for one moment think that the hon. member desired to mislead the House, but I must say he was not quite accurate in his statements. There, again, as I said before, criticism of that type is either based on erroneous information or the hon. member has been somewhat ill-informed. Mr. Holmes took credit for having, as he said, lived up the department.

Hon. J. J. Holmes: I should say so, and you know it too.

The CHIEF SECRETARY: He said that by reason of his visit to Broome, and the report presented to him by the Broome Road Board, following upon representations made by him, the leprosarium had been installed at Derby and other improvements effected in other hospitals. He said that the report that was compiled was so drastic that he was not game to have it published. I can assure Mr. Holmes that that had nothing whatever to do with the position.

Hon. J. Cornell: That is not so.

The CHIEF SECRETARY: I happen to have had something to do with the matter, and I tell Mr. Holmes now that his report had nothing to do with it at all. If the report he refers to had been published, it

could easily have been shown that what he regarded as essential portions of the statement were not strictly accurate. However, unquestionably there have been considerable improvements effected, and I am glad that Mr. Holmes recognised the fact. He went on to deal with the question of natives being put between white sheets in hospitals.

Hon. J. J. Holmes: I did not refer to that on the Address-in-reply.

The CHIEF SECRETARY: I am taking this opportunity to reply to the honourable member. He may have made those remarks in connection with a motion relating to the medical fund to be established in the interests of the natives. In view of the fact that I cannot speak again on that particular motion, I presume I have the right to refer to the matter now.

Hon. J. J. Holmes: As usual, you want the last word.

The CHIEF SECRETARY: Mr. Holmes cannot have visited many native hospitals, or he would not have made a remark of that description. He was certainly eulogistic regarding the native hospital at Port Hedland and also regarding the doctor associated with that institution.

Hon. J. Nicholson: The doctor is a very fine man.

The CHIEF SECRETARY: Yes. No doubt considerable improvements have been effected and that is appreciated by all concerned.

Hon. J. J. Holmes: It pleases me, and that is accomplishing a lot.

The CHIEF SECRETARY: My word, I am sure it is! Insofar as medical services to the natives are concerned, since the medical officer for the North, Dr. Davis, was appointed, much valuable work has been carried out. While Mr. Holmes suggested the other evening that the incidence of leprosy was more serious than people down South were prepared to admit, I am pleased to say that the survey being carried out by Dr. Davis, which is almost complete, shows that the incidence is nothing like as great as it was assumed to be 12 months ago. That is one of the most pleasing features of the doctor's report. Apparently, most of the cases have been found in a given area, and while there is a fair sprinkling of other diseases in various districts that will involve hospital treatment, it cannot be said that leprosy is rampant in those districts to the extent we were told it was and we expected

it to be. We can be very pleased on that score. Mr. Holmes also dealt with the employment of natives in the pearling industry. I think those remarks were made during the Address-in-reply debate.

Hon. J. J. Holmes: No. You are getting in two speeches on the one motion.

The CHIEF SECRETARY: I do not think so. The hon. member did refer to that matter, and I am right in saying that when he returned from the North he granted an interview to the Press.

Hon. G. W. Miles: I think he must have bought the paper!

The CHIEF SECRETARY: He made a statement that, if I mistake not, was similar to the one he made in this Chamber.

Hon. J. J. Holmes: What was that?

The CHIEF SECRETARY: I do not think the hon. member would deliberately try to mislead members. I think the information on which he based his remarks was absolutely wrong. He was dealing with the question of the employment of native boys by the pearlers at Broome and said that by virtue of the recent amendment to the Aborigines Act, now known as the Native Administration Act, the employment of boys on the pearling vessels was prohibited.

Hon. J. J. Holmes: That is so.

The CHIEF SECRETARY: In view of the long discussions in this Chamber and the fact that that particular measure received such a thorough examination when it was considered by members 12 months ago, I should have thought Mr. Holmes would have known that the Act did nothing of the kind. The hon. member looks surprised. That provision was included in the 1905 Act and has been in operation all this time. Yet the hon. member said that the measure passed last year had the effect of preventing the employment of aboriginal boys on pearling vessels. For his information I will give some facts. The law has provided since 1905 that no native—as these people are now called—under the age of 16 years may work on a ship or in connection with a ship or boat. Would the hon. member allow children to go to sea, particularly on a pearling boat? Of course not. Mr. Holmes said that those lads may not work in a pearling shed, but that just shows how little he knows of the subject. They have always been allowed to work in a pearling shed and may be so employed at present.

Hon. J. J. Holmes: What does the Act say?

The CHIEF SECRETARY: One would think it had been the custom to employ numbers of these people in the pearling industry for some years, but that is quite an error. Very few have been employed at any time. However, I do not wish to pursue the subject, as I feel sure that when the hon. member looks into the matter he will find that he was mistaken or wrongly advised. His only other remark to which I wish to make reference was that concerning the happy family life of natives on stations. He said that that happy family life would be broken up if the medical fund came into operation under the conditions laid down in the regulations. That was a wild and extravagant statement and it cannot be borne out by any information in my possession. It also goes to show that the hon. member is perhaps not as well acquainted with the native problem of the North as he would have the House believe. While there are stations where the conditions described by Mr. Holmes do exist, the departmental officials know from experience that those conditions do not apply to a lot of stations by a long way. While it is quite possible that some of the stations visited by Mr. Holmes during his trip could show all that he said he saw, there are some stations which I have visited and which he has not visited where the extreme opposite is the case. Mr. Holmes's reference to the pearlers at Broome and to a recent amendment of the law preventing any boy under the age of 16 being employed on or in connection with any boat or ship shows that he is under a misapprehension. I have already stated that such a provision has been in operation since 1905.

Hon. J. J. Holmes: And not enforced?

The CHIEF SECRETARY: Yes, enforced. We do not mind other boys being employed on a pearling boat under a white master but we object to their being employed under an Asiatic master, and Mr. Holmes knows the reason for that. Mr. Holmes said that native boys had been employed by pearlers in the past, but the department's records do not to any extent bear out that assertion. The employment of natives in the pearling industry during the last ten years or so has not been extensive. Except in one year there have never been more than 10 so employed legally, the greatest number having been 21 in 1935 when business was bad and engine-boats not

much in use, but those were men of all ages. Yet the hon. member suggested that the department would be saddled with a tremendous responsibility if we put into operation something that has been operating since 1905. One other matter I wish to mention in reply to a statement made by Mr. Seddon relating to the police. He was dealing with the question of gratuities paid to members of the police force retiring as a result of sickness or injury and also to the widow of a policeman who died as a result of injuries received while on duty. In order to be strictly correct I propose to read a reply received from the Commissioner of Police, as follows:—

In connection with the attached transcript I would advise you with respect to items (a) that such matters come under the control of the Police Fund Board, which has no connection with the Police Department; neither is the Police Department represented on such board.

I have, however, been advised by the secretary of the board that in neither of the cases mentioned by Mr. Seddon is the information in accordance with the facts.

With respect to the first case mentioned, the officer referred to was retired from the service after 16½ years service on medical grounds as the result of an injury received whilst on duty. This officer received a gratuity of £376 5s. 7d. from the fund, and a special gratuity of £278 5s. 1d., making a total payment of £654 10s. 8d. During his period of service this officer contributed an amount of £122 10s. only to the fund.

With regard to the second case referred to, there is no record of any claim of this nature ever having been made to the board, and no payment of £100 over and above an ordinary gratuity has been made to the widow of a police officer.

In regard to the matter of promotion, all such promotions are made strictly in accordance with the regulation, a copy of which is attached, and every officer who considers he has a claim to promotion in preference to an officer nominated is given the opportunity of placing his claim before the Promotional Board before the proposed promotion is made. This does not, however, apply to members of the C.I.B. in regard to proposed promotions in the uniform branch.

Hon. L. Craig: A very misleading circular if what you say is correct.

The CHIEF SECRETARY: It happens to be one of my departments and I am sure the Commissioner would be very careful in supplying this information. To complete the reply let me quote the conditions under which promotions are made, reading only

those having a bearing on the point raised by the hon. member—

5. Subject to the proviso hereinafter contained, no member of the force shall be promoted to any rank until he has passed the examination qualifying for such promotion.

6. Subject to the general provisions of these regulations, the method of recommending a member for promotion shall be as follows:—

(a) The Commissioner of Police shall keep a register in which he shall enter the names of all candidates who have qualified for promotion.

(b) There shall be a board, to be called the Promotional Board, which shall consist of the Commissioner of Police, who shall be chairman, and all available commissioned officers stationed between Perth, Geraldton, Kalgoorlie, Narrogin, and Fremantle.

(c) The board shall hold meetings at Perth as often as may be deemed necessary.

(d) The Commissioner shall from time to time extract from the register the names of members of the force whom he considers eligible for promotion, and shall publish those names in the "Police Gazette" at least one calendar month before the next sitting of the board to deal with the matter.

(e) During the period of one calendar month from the date of the publication of the names, any member of the force, who considers his name should have been included in the list of names so published, may complain to the board stating his reasons in writing for the complaint.

(f) At the expiration of such period of one calendar month or as soon thereafter as may be practicable, the board shall consider the names of members of the force submitted by the Commissioner and any complaints lodged by other members of the force, and shall then settle the promotional list.

7. The Promotional Board when sitting shall inquire into the qualifications of the particular candidates and recommend for promotion the member or members of the force who, on the ground of efficiency, is or are considered most suitable. In the event of an equality of efficiency of two or more members of the force, the senior man shall be so recommended. The board shall also, when inquiring into the qualifications of candidates, collect all information possible from such available sources as are open to the board, and when a senior candidate is passed over shall, in writing, state their reason for so doing.

While the hon. member doubtless made his statement in good faith, I submit that, in view of the information supplied to me, the statement is not borne out by the facts. I have dealt with the more important questions raised during the debate. There are quite a number of minor points upon which I have not touched. There are also some upon which I have endeavoured to get in-

formation that has not come to hand, but when I do receive it, I shall pass it on to the members concerned.

Hon. J. Cornell: Is there anything new in regard to the Sunday trading of hotels?

The CHIEF SECRETARY: I could say a lot on that subject, but I do not propose to do so at this juncture. I conclude by thanking members for the very patient hearing they have given me.

Question put and passed; the Address adopted.

On motion by the Chief Secretary resolved: That the Address be presented to His Excellency the Lieut.-Governor by the President and such members as may desire to accompany him.

BILLS (3)—FIRST READING.

- 1, Federal Aid Roads (New Agreement Authorisation) Act Amendment.
- 2, Main Roads Act Amendment.
- 3, Main Roads Act Amendment Act, 1932, Amendment.

Received from the Assembly.

[The Deputy President took the Chair.]

BILL—FACTORIES AND SHOPS ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [9.3] in moving the second reading said: This Bill is much the same as the Bill I introduced last session. There are, however, some variations, more or less of an important character, to which I propose a little later to refer, but, generally speaking, it is the same comprehensive measure which has been submitted to this Chamber on several occasions in recent years. Several times we have endeavoured to amend the Factories and Shops Act of 1920, an Act which, when it was first passed, was considered by ourselves and by other competent authorities in other parts, to be a marked advance on the industrial legislation which was then in existence throughout the Commonwealth. Since that time many advances have been made in other States of the Commonwealth, and in practically all countries in the world, not only English-speaking countries, but foreign countries too. Perhaps as a result of the activities of the International Labour Office,

other countries have now gone very far ahead of the provisions contained in our own Act of 1920. I therefore offer no excuses for again introducing this particular measure.

Hon. L. Craig: Have other States and other countries gone as far as the present Bill goes?

The CHIEF SECRETARY: In many cases they have gone farther.

Hon. J. Nicholson: Do you happen to have comparisons?

The CHIEF SECRETARY: I could give the honourable member a number of comparisons, but I will deal with the subject in my own way. On the last occasion on which I introduced this measure, I spent a great deal of time explaining to members the full import of every clause. I made comparisons of all kinds and a special appeal to members to give serious consideration to the Bill, telling them that if there should be any particular points on which they desired additional information I would be only too pleased to do as I usually do, namely, to give all the information possible during the Committee stage. Unfortunately, although I dealt with the matter very fully, this House was not prepared to take my interpretation and my explanation of the various clauses contained in the Bill. The hon. member who followed me after I had introduced the Bill put an entirely different interpretation on many of the clauses. Notwithstanding the assurances of myself and the statements made by others supporting me in this Chamber, hon. members preferred at that time to accept the interpretation of Mr. Baxter. As a result of that, notwithstanding the very comprehensive way in which I replied on that occasion and dealt with every point that had been raised, this House did not agree that the Bill should reach the Committee stage. Therefore, perhaps, hon. members were denied a little more information which would have been supplied had the Bill been dealt with in Committee, as I fully anticipated it would have been on that occasion. This time I do not propose to deal as comprehensively with the clauses, in introducing the Bill, as I did the last year. Nevertheless, I think that before I sit down I will have given members who care to listen a sufficient indication of what is contained in the Bill to allow them to form their own opinions and to investigate the particular clauses of the Bill with a view

to doing justice when it reaches the Committee stage, which I hope it will do this time.

Hon. C. F. Baxter: I spent a lot of time on this Bill before I addressed the House on the last occasion.

The CHIEF SECRETARY: I am not doubting that for one moment. I should imagine from the hon. member's remarks that he spent a lot of time on the Bill, but I cannot admit that the time was well spent. I regret that I had to remark in closing the debate that notwithstanding my definite assurances and the authorities I quoted in support of my contention, the hon. member still insisted that his interpretation was right and mine was wrong. He got the majority of members in this House to agree with him.

Hon. J. J. Holmes: The Bill was here from the 11th November to the 1st December.

The CHIEF SECRETARY: Quite so. The Bill has been before the House on many occasions. The dates mentioned by the hon. member cover a period of something like three weeks. Surely in that period members had an opportunity of informing themselves as to the contents of the Bill. However, I do not intend at this point to deal with that part of the discussion any further. I do want to impress upon members this fact, that I believe it essential, if members are really to understand the Bill, that they shall not only listen to what I have to say, but study the Bill for themselves, and not be prepared to accept, as too many members did on the last occasion, the statements of some member who claims that a certain clause means something or other. On that occasion one speaker was followed by other members who said that in view of the fact that such and such a clause meant so-and-so according to Mr. Baxter, Mr. Holmes or Mr. Miles, as the case might be, they could not agree with it, thus basing their opposition to the Bill on what other members said, without doing necessary research themselves. It would not take members long to compare the amendments in this Bill with the parent Act. The Factories and Shops Act has been dealt with on many occasions in this House, and the principles embodied in the amending Bill are very clear-cut. There is nothing very difficult for members to understand. I propose to explain to members the difference between this Bill and the Bill I introduced last session, so that they will know whether any item or items to which they were particularly opposed last year are included in this Bill. The principles involved and the condition-

necessitating the efforts to get this Act amended so many times have not changed with the passing of the years. There is no material difference to-day as compared with 12 months ago. Consequently, the arguments which I would use on this occasion are the same as I used on the last occasion. I may be able—I think I will—to supply variations and additional cases or examples in respect of particular clauses as we come to them from time to time. But generally speaking the principles involved are just the same. The conditions which gave rise to the desire for an amendment of the Act have not changed at all, unless it be that they have taken a turn for the worse and made it more imperative than ever that the Act be amended. Again I point out that hon. members have accepted the erroneous interpretations placed on the more important clauses rather than accept my assurances as to what those clauses really meant. On the last occasion I gave the reasons why the Bill was brought down, and I think I cannot do better than repeat, in brief, what I said last session. The Bill has been brought down in an endeavour—(a) to establish more equitable trading conditions as between occupiers of industrial establishments—which I think a highly important point, as equitable trading conditions affect the employer just as much as the employee; (b) to rectify certain existing anomalies in respect of the wages and working conditions of employees engaged in factories, shops and warehouses; and (c) to improve the machinery provisions of the principal Act. I think we are all aware that where anomalies occur, especially in working conditions, they frequently lead to trouble of one kind or another. We should endeavour as far as we possibly can to prevent those anomalies existing any longer than is necessary.

Hon. L. Craig: Cannot the Arbitration Court be used to remove those anomalies?

The CHIEF SECRETARY: As regards improving the machinery provisions of the principal Act, it is highly desirable that the machinery which the Bill proposes to put into operation, and which is to be utilised by the Chief Inspector of Factories under the Minister, should be as smooth working as possible, and that we should endeavour to simplify matters where we can, so that employers particularly shall not be put to any inconvenience, and also to ensure that both parties, employers and employees, shall have no difficulty in understanding the

actual position. Mr. Craig's remark of a moment ago as to whether this could not be rectified by the Arbitration Court reminds me that one of the so-called strong arguments used on the last occasion against the passing of such a Bill as this was a statement, made by more than one member, that these were matters which could be, and should be, dealt with by the Arbitration Court. I pointed out on that occasion that with one exception there was nothing in the Bill that could be dealt with by the Arbitration Court, save under exceptional circumstances, and that on one or two occasions the Arbitration Court had stated very definitely that these were matters for the Legislature. I said that therefore we were bringing forward the Bill with a view to giving effect to the desire of the Arbitration Court expressed in one or two cases. My argument, of course, went for nothing; and, worse still, when a Bill to amend the Industrial Arbitration Act was brought before this Chamber, instead of the House dealing with that measure with a view to giving powers which would ease the position, that Bill also was subjected to the same treatment as the Bill to amend the Factories and Shops Act. In accordance with my ideas of how I should introduce the present Bill, I propose to give hon. members its main provisions with, at this juncture, very brief comment from myself. The definition of the term "factory" is amended to include any place where people are engaged in any manufacturing process or where any mechanical appliance is used in packing goods for transport. It is also provided that the Minister shall have power to declare as a factory for the purposes of the Act any premises used as a dwellingplace in which four or less persons, all members of one family, are engaged. In another clause, No. 63, it is provided that the Minister may revoke such a declaration.

Hon. H. Tuckey: Did you say "four or less persons"?

The CHIEF SECRETARY: Yes. Hon. members will recollect that one of the clauses which caused quite a lot of debate in this House on the last occasion was this clause. Although I pointed out some glaring instances where competition as between a factory of this class and other factories was utterly unfair, and although I dealt comprehensively with that point, other members did not seem to think there was anything in the argument put forward. In

one or two instances they declared that, if for no other reason, they would oppose the Bill because of that clause. So it did not matter what value there was in the remaining clauses of the Bill; because of that one clause those members were going to defeat the Bill. Some other members took objection to other clauses, and said that for that reason they had no time for the Bill and therefore would vote against the second reading. So it went on. I suggest now that in all fairness we are entitled to have the Bill dealt with in Committee. Let us there deal with every clause on its merits. If the House is not prepared to agree to some of the clauses, let us pass those clauses to which the House does agree. Almost any one of those clauses would be of great advantage either to employers or to employees. Moreover, there are some clauses which are urgently required. Even though we cannot get everything that is in the Bill, surely to goodness there are some points which are of value to all sections of the community.

Hon. J. Nicholson: Which would you say are the most urgent clauses?

The CHIEF SECRETARY: All of them, as far as I am concerned. By the time I finish, the hon. member will realise—

The DEPUTY PRESIDENT: Order! I hope that the usual course in second reading will be followed, and that the principles of the Bill will be dealt with, and not specific clauses.

The CHIEF SECRETARY: That is just what I am trying to do.

The DEPUTY PRESIDENT: But hon. members will interject and ask, "Which particular clause?" This is contrary to the usual procedure.

The CHIEF SECRETARY: If hon. members will bear with me for a little while longer, I shall be able to give the main points of the Bill and also state the variations of which I have spoken. I feel that in view of the great interest taken in the measure on a previous occasion, there is no need for me to go into many details now.

Hon. J. J. Holmes: I hope you will be more accurate in regard to your interpretation than you were in regard to the aborigines question.

The CHIEF SECRETARY: I hope the hon. member will have an opportunity of raising that question at some other time. I assure him that every word I said was cor-

rect, and that the hon. member was wrong in his statement.

The DEPUTY PRESIDENT: I hope that no reference to that subject will be made for the time being beyond what the Minister has said.

The CHIEF SECRETARY: I can point out at this stage that Section 4 of the present Act exempts such premises from the operation of this provision when no machinery in excess of one horsepower is used. Probably hon. members will recall the debate on that point. The present Bill goes on to provide for a uniform working week of 44 hours for all factory employees, subject to variation by awards or common-rule agreements under the Arbitration Act, and, further, to limit the number of hours which may be worked in one day. In connection with a previous Bill it was said that this clause over-rode the Arbitration Court, but the Factories and Shops Act has always contained a section dealing with the maximum number of hours which may be worked in one day in factories, and more particularly in those factories and places which are not covered by awards of the Arbitration Court. But where the Arbitration Court has made an award or there has been an industrial agreement setting out different sets of hours from those stated in the Factories and Shops Act, then of course the award or industrial agreement holds good. We desire on this occasion to provide a uniform working week of 44 hours for all factory employees. The Bill also sets out to prevent evasions of the provisions of the Act and of awards of the Arbitration Court by providing that all persons working in a factory shall be deemed to be employed from the time they commence work until the time they leave the premises. I have previously gone to a lot of trouble to explain the reasons for that provision. There are good sound reasons for a provision of that kind. It has been recommended not only by myself as Minister, but also by the inspectors and especially by the Chief Inspector. Those officers have many difficulties to contend with, and I think that when members go over the arguments which have been used previously, and, as I have said, listen to the arguments now to be put forward, they will probably be prepared to accept the clause. The Bill also provides that all workers, irrespective of age or sex, working either in shops, factories or warehouses, and not cov-

ered by an award or an industrial agreement under the Arbitration Act, shall be allowed a holiday on 11 specified days. This is another clause which, it was previously claimed, overrides the Arbitration Court. In fact it does nothing of the kind. The Factories and Shops Act has always contained a stipulation that certain days shall be holidays for factory workers. This particular clause simply amounts to a provision which has existed since 1920, or before. Then, by amending Section 45 of the principal Act we are endeavouring to provide that no person who is over the age of 21 years and who is employed in a factory, shop or warehouse shall be paid less than the basic wage. On this provision I shall probably have the full support of the House. At any rate, I hope so. On innumerable occasions members have said that we should leave the fixing of wages, and also of the basic wage, to the Arbitration Court. That is done. But what do we find? We find that owing to a particular section in the Factories and Shops Act it is possible for adult workers, and especially adult female workers, to be employed for, in many instances, the wages of a junior. That is simply because of a weakness in that section of the Factories and Shops Act. Members will no doubt recall the great length at which I dealt with that point last year. I do feel that if there is one principle this House should support it is the payment of at least the basic wage to an adult female or male, where she or he is fully employed. The Bill also proposes to fix on a graduated scale the minimum rates of wages for junior workers employed in a factory, shop or warehouse, when such workers are not covered by an award or agreement under the Arbitration Act. There again the Factories and Shops Act has always contained a provision of that kind. All that the Bill endeavours to do is to amend deficiencies which have appeared in that Act. I emphasise that the clause applies only to those workers who are not covered by an Arbitration Court award or agreement. It is also desired by the Bill to make it an offence to offer or accept a premium in respect of employment in any factory, shop or warehouse, and it will also be an offence for any newspaper to publish any advertisement offering the payment of a premium for employment. I do not think it requires much argument from me to convince the

House that this is a very just provision. It is also desired to prevent any person carrying on the business of a hairdresser from conducting a so-called hairdressing school, or from teaching the trade of his business, except the person receiving the instruction is properly apprenticed. However, there is nothing in the proposal to prevent pupils from being taught hairdressing and the kindred art of beauty culture at schools for this purpose. Occupiers of establishments engaged in the furniture and breadmaking industries have been able to circumvent the intentions of the Act and of awards and agreements by a very effective stratagem. The Act stipulates that where workers in a factory are subject to an award or agreement, the occupier of such premises must himself cease work and cause the working operations of the factory also to cease at the hour his employees finish their labours for the day. This section of the Act has been rendered largely inoperative by certain employers. By entering into partnership agreements with their employees, or issuing shares to them, those circumventing the intentions of the Act in this regard can claim that they no longer employ any workers subject to an award or the provisions of the Act. The Bill provides against the continuation of this practice and it is now proposed to force factories to cease working at the time prescribed for the cessation of work by employees engaged therein where such employees come under the provisions of an award. It will be necessary for me when in Committee to substantiate the claims of justice for the provision, and it will be a particularly easy task. It is essential that this clause should be agreed to. Then the Bill proposes to facilitate the introduction of special regulations for the protection of health and life in dangerous trades. The proposals embodied in Clause 28, dealing with the promulgation of special regulations to govern the operations of dangerous and unhealthy trades, are modelled on the English Factories and Workshops Act, 1901. These amendments will enable manufacturers and others to object to any of the proposed new regulations. Previously it was said that no opportunity was given manufacturers and others to object to any new regulations, but this Bill meets that contention. When such objections are raised, the Minister may order an inquiry to be conducted by a competent person, with a view to ensuring that the regulations are given special considera-

tion before their promulgation. Amongst the main proposals of the Bill are those providing for the abolition of the late shopping night throughout the State and the observance of the universal half-holiday. There are in Western Australia 111 shopping districts and in more than half of those districts, namely 65, the statutory half-holiday is on Saturday. In three of the State's shopping districts a late shopping night has been abolished, but it still persists in the others, operating on Saturday in 41 districts, on Friday in 63 districts, and on Thursday in four districts. There is no doubt that the main factor which has militated against the adoption of the Saturday half-holiday when the poll has been taken in each district has been the fear that an adjoining shopping district would be placed at a trading advantage. The Bill, however, by providing that the half-holiday shall be universal, overcomes this objection and places all the towns on an equal footing. The provisions of the present Act governing the number of hours which constitute the working week were enacted many years ago. They provide that all females and boys working in factories cannot be worked beyond the maximum of 8½ hours in any one day or 44 hours in any one week. A proposal in the present measure seeks to make working hours uniform, so that the 44-hour working week will become universal in all factories throughout the State. The proposed working week will, of course, be subject to variation by awards or common-rule agreements under the Arbitration Act. Also the 44-hour week shall apply to all shop assistants irrespective of age and sex. The Bill goes further in an endeavour to secure uniformity of hours worked by those employees. While women and boys are deemed to be employed during any period they are found on factory premises, the Act makes no similar provision in respect of male employees. Consequently, some difficulty is experienced in enforcing the provisions of the Act relating to working hours and overtime. To remove all opportunities for evasion, the Bill seeks to apply to adult male workers the provision relating to women and boys found on factory premises after hours. We are also endeavouring to provide that the employer shall keep a weekly record of the hours worked by his employees. There has been a lot of trouble in connection with that in the past, but it ought not to be difficult to rectify. We have in this Bill the same provisions relating to

the registration of factories as were to be found in last year's Bill. Broadly speaking, I would say that that statement covers the main points of the Bill. Now I should like for a few minutes to deal with the alterations in this Bill as compared with the Bill of last year, so that members may the more easily follow their own ideas with regard to the various arguments that were used on previous occasions in opposition to certain provisions. There is in this Bill provision that where a person is employed in both a factory and a shop by the same employer, he shall be deemed to be employed in a factory. At the first glance it seems strange that a provision of that kind should be necessary, but it is a fact that there are cases where an employee is employed both in a shop and in a factory by the same employer, and, remarkable to relate, he has been employed almost as a full-time worker in both establishments, thus working approximately 80 hours per week instead of 40 hours per week as provided by the Act. I mention that as a point that I will have to raise.

Hon. J. Nicholson: You complain that they work double-time.

The CHIEF SECRETARY: Yes. I am right when I say that that is typical of the reasons submitted making clear why these amendments should be inserted. I am sure that no member would agree that that condition should be allowed to take place.

Hon. J. Nicholson: Does it take place?

The CHIEF SECRETARY: Oh yes.

Hon. H. Tuckey: It must be in a backyard factory.

[The President resumed the Chair.]

The CHIEF SECRETARY: It does not matter, for it should not be possible in any type of factory. Last year I submitted a statement of that kind and told the House that the statement was official and vouched for by the Chief Inspector of Factories. I held that, in view of the value of that officer, we should be prepared to accept his statements in matters of that kind, rather than denials by members of the House. Then there is a provision for the overtime rate of women and boys, and it is provided that all workers, irrespective of age or sex, but not covered by an award or an agreement, shall be allowed specified holidays. A similar provision that appeared in the Bill of last year did look much like an attempt to over-ride the Arbitration Court, but it was the only point of the sort in the Bill, and the provi-

sion in the Bill now before us does not in any way affect Arbitration Court awards. There is in that section a further amendment proposed to empower the Governor to lay down a convenient day for the holding of the King's birthday. That of course is only a minor matter, but it is considered by most people that it would be embarrassing to have a holiday on the day on which the birthday actually falls. We are also providing a minimum wage for workers not covered by an award or an agreement. The difference this time is that we are providing that it shall be different rates of pay for males and females whereas on the last occasion we provided that the rate should be the same for both sexes. The registration of small shops is dealt with by a provision delegating the authority from the Minister to the Chief Inspector of Factories. This is one of those Acts which give the Minister quite a lot of work to do, some of which could be done just as well by a subordinate officer. It is proposed to transfer from the Minister to the Chief Inspector power to grant local suspensions where desired. This is a new proposal and was not embodied in last year's Bill. This sort of thing has been done automatically on the recommendation of the Chief Inspector.

Hon. L. Craig: Will not the Minister have the power of veto, otherwise the last word will be left with the chief inspector?

The CHIEF SECRETARY: That is not correct. We propose to give certain rights to the chief inspector instead of insisting that the Minister shall do these things.

Hon. L. Craig: I agree, but there ought to be some control beyond that of the chief inspector.

The CHIEF SECRETARY: Many Acts lay down that the Minister shall do this and do that. A good deal of time is involved in carrying out those duties. The time has now arrived when responsible officers, who have been administering these Acts for many years, and whose recommendations have always been accepted by the Minister concerned, should have more power delegated to them.

Hon. L. Craig: There must be the power of veto.

The CHIEF SECRETARY: With regard to shop holidays there is a new provision concerning the King's birthday which is complementary to what I have already mentioned. There are several minor alterations consequent upon amendments to previous

sections. Last year the Bill contained an amendment to Section 155, which was a proviso prohibiting the operations of the section so far as prescribed holidays are concerned. That is not in this year's Bill. My desire to-night was to get this measure on the Notice Paper so that members might consider it over the week-end. I understand some members wish the debate to be adjourned until next Tuesday. I have no objection to that. I should have liked to make a more comprehensive speech in moving the second reading, but I feel it is perhaps waste of time for me to repeat myself. Other members are sure to support the measure. There is no doubt many will require information. I assure them I have ample evidence to support every clause in the measure. All I ask is that it shall receive better consideration than was meted out to last year's Bill. We should at least have the opportunity to deal with the clauses in Committee. It is high time that certain provisions of the Act were amended in the interests both of employers and employees. My earnest hope on this occasion is that members will take some notice of what I have said, and provide an opportunity to deal with the Bill clause by clause in Committee. The measure has been brought down at a time in the session when it will be possible for members to give proper consideration to it. The Notice Paper is not overloaded. I feel sure that if members will give that consideration to the Bill which they have frequently given to others they will agree with most of what I have said in connection with it. I move—

That the Bill be now read a second time.

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

House adjourned at 9.50 p.m.

Legislative Assembly.

Wednesday, 1st September, 1937.

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

QUESTION—AGRICULTURE, WIRE SUPPLIES.

Mr. WARNER asked the Minister for Lands: 1, Is he aware that there is a shortage of wire supplies in this State and that farmers and pastoralists who desire wire for protecting crops and conserving fodder, are unable to have orders fulfilled? 2, If this is so, can he explain the cause of such shortage? 3, Should the shortage continue and orders not be supplied, will he consider the advisableness of importing wire?

The MINISTER FOR LANDS replied: 1, Yes, I understand there is a shortage of fencing wire. 2, Probably the shortage of raw material. 3, The Government would not be in any better position to import supplies than the merchants.

QUESTION—POLICE, SUPER-ANNUATION.

Hon. P. D. FERGUSON asked the Premier: Is it the intention of the Government to introduce legislation during this session to make provision for a superannuation fund for the members of the Police Force?

The PREMIER replied: A decision has not yet been reached.

QUESTIONS (2)—RAILWAYS.

Midland Company's Freights and Fares.

Hon. P. D. FERGUSON asked the Minister for Railways: Is it his intention to lay