

iterate my statement that the Government will not attempt to bludgeon the Bill through, for it is one that requires much consideration before it becomes law.

Question put and passed.

Bill read a second time.

House adjourned at 8.8 p.m.

Legislative Council,

Wednesday, 29th August, 1934.

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

LEAVE OF ABSENCE.

On motion by the Chief Secretary, leave of absence for six consecutive sittings of the House granted to Hon. W. H. Kitson (West) on the ground of public business.

ADDRESS-IN-REPLY.

Tenth Day—Conclusion.

HON. J. M. MACFARLANE (Metropolitan-Suburban) [4.35]: Hon. members who have spoken have dealt exhaustively with the important points in His Excellency's Speech; and I do not propose to refer at any length to subjects so well handled as the goldfields members have handled mining, or the North-West members have handled matters affecting their province. I will only say that I recognise the value of both provinces receiving their due—the North-West because it is crying out for action against the indifference and neglect shown to it over

the past years, and the mining industry for its great value to the whole State, in lifting us out of the morass of depression. Hon. members representing these provinces can be assured of my sympathetic support. I desire, however, to offer a few comments on the matter of balancing Budgets, and to support the hon. member who dissented from any Treasurer budgeting permanently for a deficit. The Loan Council should now remove the limit, and demand the making of a serious effort truly to balance our national balance sheet. I realise that I shall be told balancing means embarrassment for the Treasurer and his Government, unless he resorts to heavy borrowing, to which I am equally opposed. Hon. members will have been told, or will have read, that almost 50 per cent. of our revenue goes in interest every year. His Excellency stated in his Speech that the revenue was £8,481,697. Thus it will be seen that 4½ million sterling has to be provided before we can talk of development or administration, unless we borrow. I realise that increased taxation is the only way, and if it is genuinely applied we cannot object to it. As to matters affecting the metropolitan area, I realise that the Power House extension is necessary and urgent. So many of us rely upon it for power in our business that a breakdown of any magnitude would be disastrous. This extension, moreover, should be an interest earner. I appreciate that what the Government are doing in connection with the Canning dam is necessary not only from the point of view of making proper provision for future requirements in the matter of water supply, but also as a work absorbing a goodly number of unemployed; but I am somewhat concerned about the consumer's side of the subject. He will have to pay; and one feels that the question of construction costs will have been closely examined. Therefore I fail to understand why my questions to and my other inquiries of the Leader of the House have produced no justification for excluding the triple arch principle in the dam work, when such an authority as Mr. W. H. Shields, civil engineer of London and Australia, asserts that a saving of 66 per cent. could thereby be effected—in round figures, a very large sum. River reclamation also is a good work, combining as it does removal or diminution of a nuisance, protection to health, and elimination of the risk of introducing malaria by means

of the Anophele mosquito. A good deal has been heard of this subject since I last spoke on it in this Chamber. Redistribution of provinces is long overdue, particularly the Metropolitan-Suburban province, which now contains one-third of the elective force to this Chamber, and is increasing at a rate so rapid as to make it too heavy a task for a candidate to undertake a contest. As regards the dairying industry, Mr. Craig in the course of his admirable speech quoted the production value of his cows. If the hon. member's figures were not checked, but merely allowed to pass without comment, hon. members and the public would be disposed to believe that the industry offers no future for Western Australia. It is to emphasise the contrary view that at this late hour I am speaking to the motion. I ask hon. members' indulgence while I lay before them some facts which have come to my knowledge, and which may be helpful in view of the statement of the Minister for Agriculture that he will introduce a Bill to regulate the industry. As a preface to these remarks, may I give a definition of what is a dairy farmer. The accepted definition is that he is a man who engages in the production of milk, or butter fat, of pigs, poultry and dairy stock, and in the development of pastures, together with preservation of fodder, and that his is a whole time job. Whenever dairying is discussed, it is from the standpoint of butter fat or milk revenue being the sole source of income, whereas in fact this is only the major source. Experts state pigs should be kept in the ratio of one sow to between four and seven cows, when the skim milk would have a relative value of £2 per cow per annum. In a dairy farmers' hands, the lactation of a cow should be at least 277 days in the year. Eggs are an important adjunct, and with the exporting conditions operating in Western Australia, a highly profitable item. Poultry also bring a good price if properly marketed, and thus should add considerably to the dairy farmer's revenue. And again, stock trading has to be taken into account, for it is always being undertaken, and, whether through the butcher or by sale of milkers, adds to the dairy farmer's annual income. The Western Australian dairy farmer of the early days in very few instances measured up to this standard; and that applies to-day. The establishment of pastures and the conservation of fodders

are a serious side of the business. Then the farm must be laid out in small paddocks for the rotation of pastures and also for resting, to obtain what is known as a short bite, for economic results and conservation on the basis of 2½ tons per cow. The testing and culling of herds should be continuous. A four-bottle Babcock tester is not costly and is very effective, combined with a record of the animals' daily weight of milk produced. Dairying as an industry, supported by butter factories, is comparatively new to Western Australia, and the butter factory proprietors, whether proprietary or co-operative, have realised the defects in the system practised, and have sought to be instructive. It was discovered a few years ago that the factories were the best medium to give effect to any form of organisation, and after many attempts to obtain the full 100 per cent. of co-operation needed, all of which failed, the idea of establishing an Australian dairy council grew, and with the aid of Federal and State Ministers, was launched in, I think, 1926. State representatives were appointed from all States, and State dairy advisory boards were set up from local representatives of factories and producers. The question of finance was gone into, and a way out was found in the deduction of a small sum per box of butter and cheese exported. Thus a fund has been created for carrying on the work of the organisation. Western Australia has participated in the money so extracted from the dairy farmers of the Eastern States to furnish delegates' expenses from here to any State where the Council was sitting, as well as for financing any expense, within a limit, to run the State advisory board. Much good, by way of knowledge and effective help, has come to us. That is a very long story, but I will confine myself to the value it has been in regard to pasture improvement here. The Australian Dairy Council made available to each State a sum for the purpose of pasture improvement, demanding a properly drawn up history of the work in each State. The money we got did not permit us to go in for extensive plots or generous assistance to dairy farmers by way of seed, fertiliser, etc., so we conceived the idea of competition by farmers through local agricultural societies, with co-operation by the Department of Agriculture. Mr. Sutton was sympathetic, and secured his Minister's consent for the

Superintendent of Dairying to assist. Messrs. Cuming Smith and the Mt. Lyell Co. have also been helpful. After a discussion of the position, it was decided to form zones embracing most of the southern portion of the State, and offer prizes through the agricultural society in each zone for a better dairying competition, the money from the Australian Dairy Council being used for prizes, Mr. Percy Rose of Burekup being invaluable in the giving of advice and services. Seven zones were formed, namely, Harvey and district, Bunbury and district, Busselton and Margaret River, Bridgetown and district, Manjimup and district, Narrogin and district and Denmark and district. All have co-operated well. Main herdings and a scale of points were drawn up, and Mr. Baron Hay, with his departmental officers, undertook the judging. The main points and the three years' results are as follow:—In the first year, 1932, there were 67 entries, in the second year there were 127 entries, and last year there were 196 entries. There was a total of 1,633 cows in the 1934 competition. The results of production worth noting will be seen in the following table—

Zone.	Average Cows in Herd.	Average Butter Fat per Cow	Value per Cow.
Harvey— S. Bowers, Brunswick ...	24.0	322.4	£ s. d. 10 2 0
Bunbury— A. Trigwell, Donnybrook	17.0	323.0	10 3 0
Margaret River— A. Miller, Forest Grove ...	21.0	287.7	14 7 7
Bridgetown— C. Pearce, Kirup ...	16.0	228.0	11 8 0
Manjimup— H. C. Barnsby, Pemberton	19.0	270.6	18 10 6
Denmark— P. Berridge, Denmark ...	20.0	221.8	11 1 8
Average, all zones ...	20.3	208.8	10 8 8

I agree with Mr. Craig, who said that 1s. for butter fat was no good to the producers. It is too low, and I should like to see the price stabilised at, say 1s. 3d. But we have to be thankful with 1s. as compared with the disorganised values of last year and the year before. Whenever members discuss dairy farming they discuss it from the point of view of milk and butter fat, whereas those items are only the main lines, and all subsidiary lines must be considered.

Hon. L. Craig: I based my remarks on the time occupied in producing the milk.

Hon. J. M. MACFARLANE: I am not disputing the hon. member's case. I am merely trying to give some idea of the experience gained by others with a view to showing what can be done by those who entered the competition. It serves to indicate that with time and experience Western Australia will be able to compare favourably with any State in the Commonwealth in the production of butter fat. Mr. Craig's figures would give 140 lbs. of fats, or a value of £7, taking a four per cent. fat test, and 2½ gallons to produce one lb. of fat.

Hon. L. Craig: No, that is the State average. You are working on special returns from the best of cows.

Hon. J. M. MACFARLANE: They are increasing the price and it is only fair to assume that others will have similar results. Now let me quote the case of Mr. Percy Rose, of Yeralla, Burekup. Fourteen years ago he started with a herd of eight cows and one bull, on virgin land, and in the competition had 64 cows, whose average per cow was 281 lbs., or expressed in money at 1s. lb., £14 1s. per cow over the whole 64 cows. Then there is Mr. William Burges, in zone 6, whose 20 cows averaged 9,140.1 lb. milk, and 368 lb. fat per cow, expressed in money as £18 8s. per cow. These were Illawarra Shorthorns, while Mr. Rose's herd are mainly Jerseys. The 1,633 cows entered for the competition averaged 208.8 lb. fat per cow against 201.5 for the 1932-33 period. And it has to be remembered that last season, as a whole, was a bad season, and the results poor for dairy farmers as compared with previous years, but even then, four herds exceeded 319 lb. fats, against Mr. Craig's 140 lbs. In conclusion, members will be pleased to learn that in zone No. 3, 19 competitors came forward, and in zone No. 5, 11 competitors. And nearly all were operating under the group settlement scheme and so, of course, helped to produce the general average per cow of 208 lbs. fat or £10 8s. with fat at one shilling. Members may have noticed in last Saturday's paper the picture of a veteran cow, which was calved at Yornup in the Bridgetown district 20 years ago. In her younger days she was a 4-gallon cow and produced up to 10 lbs. of butter a week. She has borne 17 calves and she still yields 26 lbs. of milk daily. So, in the face of having it bruited about that

Western Australia is not a producing country, I have been able to show in a brief way that the opportunities are here if followed on the right lines. The department are endeavouring to do that, and I congratulate them. Further, with the continuation of this form of competition, there should be some valuable information gained for the benefit of those engaged in dairying. I trust that there will be an attempt made to reach the higher standards, and that the price of butter fat will not drop below 1s. Indeed, I am hopeful it will reach the figure it should be, namely, 15d., which will enable the farmer to feel satisfied with the work he is doing. I support the motion.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [5.5]: I have great pleasure in joining with other members in welcoming you, Mr. President, back from the Old Country, and in endorsing the acknowledgments paid by others of the good work you did for Western Australia during your absence abroad. By voice and pen you advertised the resources of this State. Your speeches and your writings, apart from their merit, carried much weight by reason of your personal character, and the high office you occupy in this country. It so happened that you were in London at a time when the gold mining industry commenced to attract special attention, and with your close association with that industry, extending over many years, you were, at a most opportune time, able to inspire investors with a well-founded confidence in its future and direct capital to our State.

During your absence, your duties were ably discharged by the Chairman of Committees (Hon. J. Cornell) and, although we all had a strenuous time, everything went well.

In the course of the Address-in-Reply debate, Mr. Baxter told us that the Lieut.-Governor's Speech was a doleful document, full of despair, and very depressing to visitors. It seems very hard to please Mr. Baxter. For later on in his speech he quarrelled with Mr. Fraser for attempting to lift the gloom and generate a spirit of optimism among the dejected audience. It appears, however, that Mr. Fraser went too far and, according to Mr. Baxter, caused even hardened members of the

House—presumably members of the most callous type—to move uneasily in their seats while he was making his speech. Mr. Fraser's grossest sin, in Mr. Baxter's eyes, is that he gave too much praise to the Government for the improvement manifest in the employment of the workless in this State. Mr. Baxter told us the credit was due to the captains of industry who had found employment for thousands and relieved the position generally. There is no doubt that private enterprise is doing much at the present time to provide men with work. It was not so 18 months ago. Mr. Fraser gave one reason for the change—a sound reason—confidence in the Government. He could have given another—the effect of the policy of the Government. That policy was declared at the general elections—men had to be put back to work on something more than a bare sustenance basis. Mr. Baxter realised the wisdom of that policy, for he said: "When men are in employment, they create employment for others." That is a self-evident proposition. Increase of spending power in a community must mean an increase of business in every branch of trade and industry, an increase in business proportionate to the added money put into circulation.

Mr. Baxter, on top of it all, and despite his preliminary denunciation of despondency, was bold enough to allege that "we are in the throes of bad times." Surely, if he thinks that, he should have found a corner in his heart to sympathise with the Lieut.-Governor in his depressing task, and discovered grounds to excuse even the hardened members of the House who moved uneasily in their seats while Mr. Fraser was endeavouring to raise their spirits and give them a more cheering outlook than they must have possessed if Mr. Baxter's first statement was based on an accurate judgment.

Hon. C. F. Baxter: Does not the Premier say so now?

THE CHIEF SECRETARY: I am dealing with Mr. Baxter now and I am showing how he changes his face in a brief space of time. The hon. member goes into figures in regard to the amount of loan money the Government have had at their disposal since they came into office—much of which we had heard from him during the last two sessions of Parliament. How men could be

got back to work without the expenditure of loan money, and how employment could be provided that would help to keep the State from drifting, he does not say. Could it be done out of revenue? No one in his senses would venture to say so. This Government are carrying out a policy which was first advocated by the Labour Party, and has since been adopted by the Loan Council. The loan money distributed among the States is to be used for the relief of unemployment. With regard to the financial emergency tax, it is true the Government estimated £400,000 from a full year's tax, and for the nine months of last year, £300,000. The actual receipts for the nine months totalled £411,716. From this figure, however, must be deducted £28,000 received at the $4\frac{1}{2}$ d. rate under the previous year's tax, and £50,000 due, the Commissioner of Taxation informs me, to the increased prosperity of taxpayers.

The hon. member says the point is whether the money will be expended so as to bring back reasonable interest. That certainly is a most desirable objective. But under the Government of which Mr. Baxter was a member this aspect received little consideration. Most of the money was then spent on sustenance, which showed no return in any shape or form. All that has been remedied as far as possible.

Hon. C. F. Baxter: Do you say the irrigation schemes will not return interest?

The CHIEF SECRETARY: I will deal with other schemes as well as irrigation schemes. Great credit is due to the Minister for Employment, on whom Mr. Baxter made an uncalled for attack. Judging from the results that have been attained—judging from the marked reduction in the number of persons depending on the Government for sustenance and also for relief work—the appointment of a full-time Minister for Employment has long since proved its justification. The duties of that office form his main burden but he has other responsibilities. It should be remembered that, included in the Employment Department are its associated activities, namely—Child Welfare, Labour Bureau, and the general industrial development of the State. A study of the figures pertaining to the number on sustenance and the amounts paid for each quarter of the financial year commenced on the 1st July, 1933, should prove a source of enlightenment to the hon. member, and, if he can

claim an open mind on the question, the statistics should be sufficient to induce him to alter his views. The figures Mr. Baxter gave are over a year old. The figures I now propose to give are almost up to date. They refer to the men on sustenance and the weekly cost to the Treasury—

Date.	Number.	Weekly Amount Paid. £.
1st July, 1933	... 6,265	7,127
1st Sept., 1933	... 5,568	*7,169
1st Jan., 1934	... 2,432	3,452
1st April, 1934	... 1,513	2,144
1st July, 1934	... 1,225	1,717
4th August, 1934	... 1,136	1,577

* The increase in money accompanying a decrease of some 700 in number may appear incorrect, but the actual position is that there would be a large "pick-up" of men in that week, and, therefore, on account of a week's rations being given to men when going to their jobs, the rations would be chargeable, but the number of men reduced.

The figures for the 4th August of this year show that since the commencement of the last financial year the number on sustenance has been reduced by 5,129, and the amount of sustenance reduced by £5,550 per week.

Hon. G. W. Miles: Those are very encouraging figures.

The CHIEF SECRETARY: I will show later on how those men were employed. I intend to make a statement respecting the information that Mr. Seddon sought in his speech on the Supply Bill.

Hon. L. Craig: Are most of those men still employed by the Government?

The CHIEF SECRETARY: Yes, but a good many of them have been absorbed into private employment. On the 5th August, 1933, the total number dependent upon the Government, through either sustenance or Government relief work, was 14,053, whereas on the 4th August, 1934, the total so dependent was 10,890. This shows that during that period 3,163 persons became absorbed in ordinary employment—this really furnishes a reply to Mr. Craig's interjection regarding private employment—and thereby ceased to be a charge on the taxpayers through either loan or revenue. This bears out the contention of the Government that the circulating value of wages, once people are placed in employment, creates the wherewithal by which others also become employed, and with strange inconsistency, Mr. Baxter admits that fact. Members will recollect

that when the Government took office, there were two unemployment relief camps, namely, Blackboy and the Immigrants' Home, Fremantle. Within six months of taking office, the Minister for Employment closed both those institutions. There was no necessity for them. The Blackboy camp cost the State £121,375, whilst the Immigrants' Home, independent of the effort put forward by the Fremantle Relief Committee, cost the State £7,826. These institutions, which were in existence for a number of years, represented an average yearly charge upon the Government of over £25,000. I would suggest to the House that if, as Mr. Baxter implies, these results could have been achieved at the expenditure of £6 per week, it is a great pity the Government of which he was a member did not make provision for the expenditure of that small sum and, by such means, give the widespread relief that has followed the alteration of the system, which was another name for stagnation.

Mr. Baxter mentioned that until recently most of the sawmills were working only part-time, but they were now working full-time. And who is responsible for it? The present Government, in a large degree. Owing to the dearth of orders in their overseas trade, the timber merchants approached the previous Government in July, 1931, and asked for a reduction in railway freight to enable them to compete for hardwood timbers. After due consideration a reduction of 12½ per cent. was granted. It was found that this reduction did not have the desired effect and the timber merchants, in May, 1933, made representation to the present Government for further concessions. On hearing their case, it was decided to reduce the railway freights on timber destined for ports outside of Australia by 16½ per cent., the 12½ per cent. reduction to continue in respect of timber shipped to the Eastern States. As a result of the concessions, this State got the full contract for sleepers for the trans. line. The amount involved, combined with the work provided for the railways, will, I think, be found to reach between £200,000 and £250,000 additional money put into circulation in the State.

Hon. G. W. Miles: That was very good business.

The CHIEF SECRETARY: Yes, but that was not all. On the 15th June, 1933, rebates of 25 per cent. of the inspection fees on hewn timber from Crown lands for rail-

way sleepers for export, and 50 per cent. of the inspection fees on hewn timber from private property for railway sleepers for export were approved of. In addition to that, from the 1st July, 1934, the Premier approved of a rebate of 5s. per load on all sawn timber exported to centres outside Australia, to operate for a period of 12 months. In consequence of this reduction, during the past month Millars have been able to re-open Jarrahwod, and the Kauri Timber Co. are starting their Nannup mill. This, it seems to me, is an effective reply to Mr. Baxter's remarks in regard to the futility of a full-time Minister for Employment.

Hon. J. J. Holmes: Why don't you try that up North and reduce charges.

The CHIEF SECRETARY: This was an experiment.

Hon. J. J. Holmes: Well, try it there.

Hon. C. F. Baxter: How do you connect the Minister for Employment with railway freight reductions?

The CHIEF SECRETARY: The Minister for Employment, as Minister for Industrial Development, is interested in every branch of industry. That is his duty, and he has to make recommendations to the Premier and Cabinet. He is performing his duties well. Mr. Baxter's reference to the local products campaign, which was initiated by the Minister for Employment (Mr. Kenneally), is astonishing, and his statement that we could not hope that people would buy an unsuitable article merely because it was made in this State, suggests that the locally produced articles does not compare favourably with that manufactured elsewhere.

Hon. C. F. Baxter: Nothing of the sort.

The CHIEF SECRETARY: That was the only conclusion to be drawn.

Hon. C. F. Baxter: Certainly not.

The CHIEF SECRETARY: Most decidedly that was not the experience of the department. Rather has it been exactly the reverse.

Hon. C. F. Baxter: What you have suggested was never intended by my remarks.

The CHIEF SECRETARY: The inference to be drawn from the hon. member's statement was that the quality was not equal to that of the imported article.

Hon. C. F. Baxter: Not at all.

The CHIEF SECRETARY: Then I am afraid the hon. member's remarks require an interpretation clause. The experience of

the Minister for Industries during the progress of his campaign has been exactly the reverse of the inference I suggested was to be drawn from Mr. Baxter's remarks. The Government have the evidence of consumers to show that the local article is equal in quality to the imported. And it is Mr. Kennally's intention to prosecute this campaign to the utmost, for he realises that only by the absorption of men back into private industry will the problem of unemployment be properly solved.

Hon. C. F. Baxter: Then why did the Government go outside the State to purchase water meters?

The CHIEF SECRETARY: Because they could not be made in Australia.

Hon. C. F. Baxter: Then is that not in conformity with the statement I made?

The CHIEF SECRETARY: Ordinary customers do not go round buying water meters! The Government would willingly have placed that order in Australia if it had been at all possible to get the quality required. We could not get that quality. The Economic Council, which was formed by the Government, is doing valuable work. It represents every shade of political thought and opinion in the State, and the Government are thankful to those ladies and gentlemen who comprise it for giving their services in an honorary capacity in order to advance the welfare of the State. That the campaign in favour of local products is making itself felt is shown by the figures of the Government Statistician. Taking as a base the index figure of 100 for employment in factories in 1929-30, this figure fell to 77 in 1930-31. In May last, the figure was 80. In May this year it had increased to 93, and to-day the index figure is only eight points below that of the peak year, 1929-30.

Hon. G. W. Miles: Splendid.

The CHIEF SECRETARY: Mr. Baxter can be assured that the Minister for Employment does not intend to relinquish his personal endeavours to improve the position of the local manufacturer, despite any criticism from those who may disagree with the policy he has adopted, and in this work he intends to seek the co-operation of everyone who is prepared to assist. With regard to the financial emergency tax, it is true that the Government estimated £400,000 for a full year's tax and for the nine months of last year, £300,000. The actual receipts for the nine months totalled £411,716.

From this figure, however, must be deducted £28,000 received at the $4\frac{1}{2}$ d. rate under the previous year's tax, and £50,000 due, the Commissioner of Taxation informs me, to the increased prosperity of taxpayers. Mr. Baxter stated that the Mitchell Government collected £202,000 over a period of seven months, whereas the existing tax had yielded over a similar period £412,000. The Commissioner of Taxation says Mr. Baxter is in error, as our tax was collected over a period of nine months, not seven months, and includes £28,000 collected at the flat rate of $4\frac{1}{2}$ d. in the pound.

Hon. C. F. Baxter: That is what he said before when I submitted the figures.

The CHIEF SECRETARY: A simple sum in division will easily give the result. Mr. Baxter said that the beautification of the river was proceeding; an island was being reclaimed; that such work was not a national work, and that the cost should be borne by the ratepayers of the metropolitan area. The hon. member should know better than make such statements. For many years before 1924, the algae nuisance was causing much trouble, and was the subject of constant complaint by thousands of residents of the metropolitan area. As a result Mr. Longley, Advisor in Sanitary Engineering to the Commonwealth Health Department, visited Perth by invitation on the 15th January of that year. He investigated the complaints, and was asked to suggest a remedy. He replied: "The growths which are thrown up on the beaches must be regularly gathered up, removed and effectively disposed of." A further question put to him was, "How could the nuisance be permanently abated?" His reply was—

The only measure which appears to promise a permanent abatement is the deepening of the waters in the shallows of the Swan River to about $3\frac{1}{2}$ feet below zero of the gauge, that is to say, about 5 feet below low tide in Perth Waters.

He added—

The work of deepening these extensive shallow areas would result in the reclamation of several hundred acres of swamp land at present of practically no value, which would then have a large realisable value.

Hon. J. J. Holmes: Was he asked the cause of the algae having appeared in recent years?

The CHIEF SECRETARY: No; he was asked to suggest the cure. Mr. Long-

ley's reports were handed to the then Engineer in Chief, Mr. Stileman. In due course Mr. Stileman submitted a scheme to the Government for dealing with the evil. The scheme was covered by a Bill and received the endorsement of Parliament. It passed through the Council without a division. Mr. Baxter was present and he did not raise a voice against it. After that, a dredge was ordered and the work was started and continued until shortage of funds obliged the late Government to suspend operations temporarily.

Hon. C. F. Baxter: The money that was left was spent on the causeway.

The CHIEF SECRETARY: Before any work was started the City Council, as a result of representations by the Government, agreed to contribute towards it at the rate of £500 per annum for the first five years, and at the rate of £1,000 per annum for the succeeding seven years. At that time it was estimated that the scheme would cost £275,000 and it was proposed to spend £25,000 per annum. Except, of course during the suspension of operations, the City Council have fulfilled their obligations. Mr. Baxter stressed the beautification of the river. He must know that that is not the primary object of the work. He should realise, however, that no Government with any sense of responsibility would carry out such a scheme without taking into account the beautification of the river and the surroundings. It was pointed out by Mr. Stileman that the silt and shell taken from the river bed should be used for reclamation purposes, and incidentally to extend and improve the island referred to by Mr. Baxter. The hon. member said the cost of the work should be borne by the ratepayers of the metropolitan area. He should be aware that the City Council could not borrow money on an undertaking outside its boundaries, and no portion of the Swan River comes within its jurisdiction. The hon. member referred to what he called the construction of a drive. It is a road. The City Council is negotiating with the Government, and subject to certain conditions which will not involve finance, the City Council will build the road. So much for the assertion that a drive is about to be constructed at the expense of all the people. Apart from the removal of the algae nuisance, the reclamation scheme will bring into existence a large area of land which will be

a valuable asset to the State for all time. Mr. Baxter desired some information about the Government prospecting scheme. The Minister for Mines, who inaugurated it, considers that from many points of view it has undoubtedly been a success. It has enabled men to go prospecting who were previously hanging around the cities and subsisting on a sustenance allowance of 7s. a week.

Hon. C. F. Baxter: I did not criticise it. I asked for information.

The CHIEF SECRETARY: Quite so; I wish to place the matter fairly before members. Approved applicants from the metropolis, the goldfields and other places, were transported to the scene of operations and were given a wide choice as to the locality they desired to prospect. Supervisors were appointed to guide and instruct as well as to see that genuine endeavours were made. Parties were sent out in fours as far as practicable, and a man of experience included in each party. Up to the end of June last the expenditure for the year was £49,306. Included in this expenditure and quite apart from sustenance payments were the following items:—supervisors' salaries, purchase of trucks, purchase of equipment, costs of equipping, water supplies, recoups to Unemployment Relief Department, and sundries, making a total of £6,018. Items of a general nature were not subject to any return by the parties assisted. Refunds of sustenance from assisted prospectors during the same period amounted to £4,124. In all, 2,506 men, of whom 2,146 were single men, were assisted. Sustenance was at the rate of 15s. per week whilst prospecting. Many prospectors who have not made refunds have gone off sustenance and are privately employed. At the end of June last records of crushings from assisted prospectors showed that some £50,000 worth of gold had been won through the scheme and that the State benefited to that extent.

During a recent visit to the Murchison goldfields, I met several of the prospectors, and, although in one instance it was complained that facilities should be provided to enable them to get further back into unprospected country, and in another that the stone raised was not being sent to the battery they desired, they appeared to be satisfied with their lot. The opinion of an old prospector that I met appealed to me. He said that so far as the young fellows were concerned

—and the great majority I saw were young single men—the life would make men of them, and the scheme would convert the best of them into prospectors for the remainder of their days. Several of them availed themselves of jobs on pastoral stations coincidentally with the rise in the price of wool, and that course was encouraged by the Government. The result has been that a number of vacant places were recently filled. Mr. Baxter referred to the Wyndham Meat Works and other matters which come under the Honorary Minister, who assured me that after his return he would take an early opportunity to reply to the criticism.

Mr. Thomson wanted me to ascertain under what section of the Financial Emergency Act the officials of the Public Works Department deducted, on behalf of the Taxation Department, a levy of 4d. in the pound on materials used on petty contracts in country districts. In his opinion that action was quite wrong. The Act, he said, provided for a tax only on wages and salaries. I referred the matter to the Commissioner of Taxation and this is what he said—

Mr. Thomson's statement that the Act provides for a tax only on wages and salaries is far from correct. The Act goes further. Under Sections 5 and 8 it taxes the profits of individuals, firms, and partners as assessed under the Land and Income Tax Assessment Act, and the profits of companies under the Dividend Duties Act. Section 9, as well as taxing salaries and wages, taxes everything that is in the nature of salary and wages. I refer the hon. member to Section 9, Subsections 2 and 3, and the proviso which reads—

(2) For the purposes of this section payments made at piecework rates for work done or labour performed shall be treated as wages.

(3) In the case of any contract for work or labour, including clearing, shearing, droving, and carting made by any person, or by or on behalf of several persons, every payment made by the employer or the person for whom the work or labour is done, or received by or on behalf of the person or persons doing such work or labour under the contract, shall be deemed to be wages;

Provided that a proportionate reduction shall be made from the gross amount payable under the contract of an amount which, in the opinion of the Commissioner, represents any necessary outlay when assessing the amount of the tax payable under this Act.

The provisions regarding wages under the Financial Emergency Tax Assessment Act are identical with provisions under the Hospital Fund Act, which was assented to on the 29th December, 1931. For Mr. Thomson's further information, I would refer him to Regulation 35 of the Handbook and Regulations under

the Financial Emergency Tax Assessment Act, 1932, which clearly sets out the position. The Taxation Department do not levy a tax on material only, and have never done so, but where a person takes a contract for labour and material, he is assessable on the total payment made to him by the person paying for the contract. It is for the taxpayer himself to lodge a return and be assessed under the provisions of Section 5 of both the Financial Emergency and Hospital Fund Acts. If it is found on assessment that he has overpaid tax at the source under Section 9 of either Act or both, a refund of tax or a credit is made to the taxpayer.

Mr. Thomson said—

If the winner of a scholarship resided at such a distance from all the approved schools that it was necessary for him to become a boarder or to live away from home, an additional allowance of £24 per annum would be given, provided that his parents were in receipt of an income not exceeding £300 per annum, or, alternatively, £50 for each dependent member of the family.

He added that if the regulation were maintained in that form, it would debar many country children from participating in the benefits to be derived from the holding of a scholarship at one or other of the high schools. The regulation was altered because of obvious anomalies in its application. Men, in some instances, with large incomes were obtaining boarding or sustenance allowances for their children because they were not in proximity to a high school. It was considered that when the necessities of the State made it imperative to impose a direct tax on people with small incomes—many of them below the basic wage—it was not just to pay a sustenance allowance to maintain children of well-to-do parents.

Hon. A. Thomson: The point I made was that the parent who resided in the place where the High School was situated could send his children there, but that in parts of the State where there were no high schools, parents were debarred from sending their children to those institutions. I have no objection to the limitation of the amount.

The CHIEF SECRETARY: A reasonable minimum of £300 a year was fixed, and if there were more than four dependent members of the family, an extra £50 for each child was allowed before the payments were withheld. Anyone with a salary of less than £350 a year would be allowed to send his children to a high school and draw

the allowance. There can be no comparative hardship in the application of this principal in the present circumstances of the State. When the Labour Party were in office previously, it was found that wealthy persons were drawing the driving allowance to cover the cost of conveying their children to school. The expenditure under that head was assuming large proportions. The regulations were altered to provide that the concession would apply where the parents had a taxable income of not more than £250. By reason of the saving that followed the framing of this regulation, the Government were enabled to make several contracts with motor van proprietors to convey to a State school children scattered outback who otherwise would not have had an opportunity to get an education. It is difficult to see how the new regulation regarding scholarships is likely to be a hardship to anyone with an income of over £300 a year.

Mr. Thomson has been fair and generous in his criticism. He has given credit to the Government where he thought it was due, and I dislike having to differ from him. He says he hopes that the Government will continue to provide work for single men at the Frankland River. The Minister for Employment informs me that the number of men employed at the Frankland River has now been reduced to a minimum, and it is intended to transfer them from that centre to what is considered more useful work—clearing large occupied holdings in the South-West. Although Mr. Mann deprecated any tendency to a reversion to the old policy of large borrowing, his speech, on the whole, was fair and of a constructive character. I am conveying his suggestions to the departments concerned. Mr. Hamersley criticised the railway administration. He stated that the railways were worse off than they had ever been. The statement is not in accordance with facts, as the loss for the year, after meeting an interest bill of over £1,000,000, was £275,644, whereas in 1930 the loss, after meeting interest totalling £950,797, was £404,489. The hon. member complained about the increased number of men employed during the last year or so. If he turns to page 7 of the annual report of the Commissioner of Rail-

ways for the year ended the 30th June, 1931, he will read the following:—

In the maintenance of Way and Works the heavy decline—£224,061—connotes the postponement of all work other than that involved in keeping the tracks safe for the running of trains. Necessarily this policy entails the putting off of all deferable expenditure to some future period when times become more prosperous. Heavy commitments will then be necessary to make up the leeway. The same thing applies, partially, in respect to traffic and power sections, and I should be lacking in my duty if I refrained from bringing this aspect under notice.

Again on page 6 of the 1932 report, this aspect was emphasised. In the report of 1933, when the staff began to increase, the Commissioner stated that a commencement had been made to overtake arrears of work that had been postponed. When we took office, we decided that further efforts should be made immediately and provided funds for the purpose. The jobs undertaken necessitated the employment of many men, which accounts for the increases mentioned by Mr. Hamersley. Members will recall my having told them last year that the Government were involved in heavy expenditure for repairs to a large accumulation of rolling stock, including locomotives which had become defective and had been put out of commission, and that other work had to be undertaken to make the railways safe. The majority of additional staff employed consist of casuals, and when arrears of work have been overtaken, their services will be dispensed with.

The speech of Mr. Craig, a new member, was interesting and helpful. He dealt ably with the dairying industry, the fruit fly pest and the grievances of his province regarding irrigation, showing a grasp of important detail which he conveyed with conciseness and lucidity. I have already ensured that his suggestions have reached the right quarter. With regard to the Collie Irrigation Scheme, the Department of Agriculture inform me that there is undoubtedly a big rush of work in the area, but every endeavour is being made to supply farmers with the information necessary for the lay-out of their individual rated areas to enable them to make use of the water this summer. Whilst on many locations a certain amount of grading will probably be necessary the main objective at the present time is to get water on to the land as cheaply as possible

by selecting those portions of the farm which naturally lend themselves to irrigation. There is a large amount of work required to get the farms in first class order, and it would be impracticable to attempt all this development in one season.

Mr. Hall was wrong when he said that the Government had placed an embargo on single men getting work. As a matter of fact, we have given more attention to the absorption in employment of single men than had been done previously. The result is that 2,345 single men are now employed on Government relief works against 1,233 at the same date of last year. As to the genuineness of the anxiety by some single men to get employment, the Town Clerk of Geraldton, a few months ago, forwarded a petition signed by over 50 single men saying that they would be prepared to accept work—clearing or other—if it were offered. Arrangements were made for a pick-up, with the result that only eight accepted the employment. All this should be within the knowledge of Mr. Hall. I wish it to be distinctly understood that the single men who refused the offer of work were not domiciled in Geraldton. When Mr. Hall said we must have money to provide work for the unemployed he took up an unassailable position. He was not on such sound ground when he attacked the principle of preference to unionists. The hon. member evidently overlooked the fact that all the benefits of increased wages and better conditions for workmen have been the result of great and persistent efforts and immense financial sacrifices by labour unions in securing Arbitration Court awards. In strict adherence to those awards, both in letter and spirit, the Government abolished the £3 maximum which men on relief works were previously permitted to earn, and those men have been receiving the amounts provided for margin for skill and payment for holidays, all of which are over and above what they are allowed to earn in accordance with their domestic responsibilities. The same applies to dirt money, wet pay, etc. Under this alteration, many men are now working six out of every seven weeks the year round. The unions, through the Arbitration Court, have made those benefits possible; and it is astounding that men, ordinarily fair-minded, can be found to champion the cause of the miserably few relief workers who, while enjoying all the fruits of labour advocacy, ob-

ject to paying a union fee averaging less than 6d. a week towards the support of the organisations which brought them the increased benefits they now enjoy.

Mr. Hall seems to be out of step with the organisation to which he is attached. In the "West Australian" of the 18th inst. appears a report of the annual conference of the Primary Producers' Association, and a resolution passed at that conference could have been expected to weigh heavily on a parliamentarian with a less independent mind. The report stated:—

Organising Farmers.

Scheme for One Body—Compulsory Membership Wanted.

Means whereby those engaged in primary industry in the State might become better organised to meet difficulties arising from time to time were discussed at the annual conference of the Primary Producers' Association yesterday. After discussions on three motions submitted on the subject, conference agreed that the time had come when a system of compulsory membership for a farmers' organisation be obtained by legislation, to overcome the present condition of affairs under which financial members of the various farmers' organisations were carrying, and obtaining benefits for, many more farmers who took no part in the management of the organisation's affairs. Also, it was felt that a 100 per cent. backing would enable an executive of such a body to do far more effective work in the interests of primary producers. . . . Conference felt that this motion did not go far enough, and the following amendment was carried:—

Conference considers the complete organisation of primary producers is impossible without legislation and urges that every effort be made in that direction.

"We should follow the example given to us by other organisations, Labour for instance, and endeavour to bring about legislation for compulsory membership for a farmers' organisation," said Mr. Williams (Durandlin). He moved—

That the time has arrived for compulsory membership amongst primary producers on similar lines to that in force by workers' unions, and that the annual contribution be reduced on account of big membership, and that each member receive a free copy of the 'Primary Producer.'

"The best way to organise is to make every man an organiser," commented a delegate. The motion was agreed to after an amendment deleting the words "on similar lines to that in force by workers' unions" had been carried.

That is the first step towards compulsory unionism taken by primary producers. The

reform is to be brought about by legislation: and I feel sure that when Mr. Hall has given the principle involved the deep consideration it merits, he will be found supporting the Bill.

Mr. Holmes was not quite right in saying that the North gets very little from the Government. The inference is that it has been grossly neglected. From a public works point of view, a direction in which practical assistance can be given, it has not been overlooked. During the period of the previous Collier Administration, there was spent in the North £146,855 on harbour works, £12,407 on water supplies, £25,843 on buildings, and £103,585 on roads and bridges, a total of £288,690. In 1930 £51,200 was allocated by the Collier Government. This was spent by the Mitchell Government together with £6,800 allocated by the Mitchell Government. A sum of £25,000 has been set aside by the present Government for expenditure on roads in the North-West. Mr. McCallum at the Premiers' Conference of 1927 succeeded in introducing the system of distribution of money for main-road construction on a basis of area and population combined.

Hon. G. W. Miles: Mr. Bruce put that up, and Mr. McCallum opposed it.

Hon. J. J. Holmes: Did the North get its quota on the area basis?

The CHIEF SECRETARY: Now we are rebuilding the Beadon Jetty. Mr. Holmes wants the Point Sampson jetty rebuilt, too. And at the same time he wishes to see borrowing cut down. Mr. Holmes cannot have it both ways. He cannot expect us to be able to spend large sums of money on big undertakings if our financial resources are restricted. The hon. member dealt with the Wyndham Meat Works and several matters on which the Honorary Minister will be able to reply on his return from the North. Mr. Holmes was generous enough to give credit to the Government whenever he thought it was due, and he is quite right in advocating the claims of his province and suggesting means by which its advancement can be assisted.

Sitting suspended from 6.15 to 7.30 p.m.

The CHIEF SECRETARY: Prior to the tea adjournment I was dealing with the remarks of Mr. Holmes in relation to the North. I have very little more to say in

connection with his speech. He left himself open to no serious point of attack, so far as I have been able to discover. He dealt with the financial problem, perhaps soundly from an economic standpoint, but in a manner scarcely suitable to the present time. With a large proportion of his speech, I find myself cordially in sympathy. The works contemplated now in the North-West may not return interest and sinking fund directly, but in the course of time they will. Further than that, they will encourage still greater production, which will mean a large increase in income tax and other revenue, so that the Government must benefit in the long run. I do not desire to quarrel with any member who advocates the claims of his province, and his remarks will always have my sympathy and consideration, particularly with regard to the pastoral industry. I had some experience of the pastoralists when I was in office formerly as Minister for the North-West. I had not taken over those duties for more than a fortnight before I was approached—I believe that was the first occasion on which the Government were approached by the pastoralists—in respect of a much-needed facility that involved the expenditure of £15,000. The pastoralists put up their case very briefly. They had been paying income tax and other forms of taxation for many years almost without securing anything in return. That excited my sympathy, and I was able to enlist that of the Government as well. The upshot was that after a time I was able to secure the expenditure of £15,000 in providing the facility that was so much needed. Subsequently, I found that never on any occasion did the pastoralists proffer requests that were other than reasonable. I sympathise with Mr. Holmes in his contentions and I commend him for his speech. He has done the Government credit in that he acknowledged any good work carried out by them in his province. Consequently, his speech had all the force that reasonableness could attach to it. I trust my brief references to his speech will not be construed as treating his remarks with contempt and neglecting to attach a proper value to them. I have not done that by any means. Excepting criticism on one question, with which I have already dealt with, Mr. George's speech was commendatory of the

Ministry. He congratulated the Government on undertaking deep sewerage which, as everyone should know, is a work upon which interest and sinking fund may be regarded as definitely assured. His warm tribute to the Minister for Industries will be appreciated by Mr. Kenneally. Too often in political life, owing to party feeling, the merits of those who render good public service are not assessed at their true value. It cannot be said that, during the debate, there was failure to recognise what members believed to be worthy of favourable review.

Mr. Angelo's speech was entirely constructive. Not only that, it was highly interesting, covering as it did the possibilities of his province from Shark Bay to the most northern port. I shall draw the attention of the Minister for the North-West to his speech, as well as to those of Mr. Holmes and Mr. Miles.

Mr. Parker made a valuable contribution to the debate. Even where one disagreed with his views, one could not help admitting the excellent manner in which he presented them. His comments on the free pardon granted to Mr. Gray, however, call for a reply, and an opportunity will be afforded under Mr. Seddon's motion to deal with controversial points.

Mr. Yelland said that in connection with last year's legislation the teachers had notified the Government of the anomalies which were occurring through the granting of concessions to other members of the Public Service and not to the teachers. I sent notes of Mr. Yelland's remarks to the Anomalies Committee and they have made the following comments:—

Mr. Yelland's statement that the civil servants have been treated differently from or more favourably than members of the teaching staff is not correct. The term "civil service" is generally applied to officers engaged under the Public Service Commissioner, and it is assumed that Mr. Yelland is referring to these officials. The Financial Emergency Act was passed this year, and it should be known that the Act did not permit of any discrimination as between railway officers, civil servants, and teachers. They are treated exactly on the same footing.

It is true that the non-commissioned officers attached to the police force have been given a certain amount of relief, which has not been extended to railway officers, civil servants, and teachers.

It was explained when the present Act was introduced that the Government could only

afford to grant a limited amount of relief this year, and it was decided that the fairest method, in view of the limitation, was to exempt employees whose wages were prescribed by awards or industrial agreements, and who were ordinarily subject to the basic wage fluctuations. The awards and agreements embraced a big majority of the lower paid employees, and relief was thus given to those who needed it most. The whole of the police force, including the commissioned officers, are covered by an award of the Arbitration Court, and their remuneration is ordinarily subject to basic wage fluctuations. Seeing, however, that the civil service, railway officers, and teachers, receiving salaries in excess of £293 per annum as at the 30th June, 1930, were still to be subject to a reduction under the Financial Emergency Act, it was considered that a line should be drawn in so far as the police officers were concerned. Parliament, therefore, decided to leave the commissioned officers on the same basis as the civil service, railway officers, and teachers, but to place the non-commissioned officers on their normal rates of pay.

Mr. Miles made the third valuable contribution from northern representatives on the possibilities of their province and the grievances from which it suffers. What has been done by the Government, he has gratefully acknowledged. He dealt with pilotage dues charged by the Fremantle Harbour Trust on vessels extending their trade to Penang. Mr. Miles misunderstands the position. The original pilotage regulations, made over 30 years ago, continue in force to the present day unaltered insofar as they affect this question. They provide for pilotage exemptions in respect of masters of vessels engaged in the inter-State and intra-State trade of the Commonwealth and New Zealand, the paramount condition being that the vessels must be owned or registered within the Commonwealth of Australia. The fact that these vessels are not now registered within the Commonwealth, having been taken out of the register in 1920, was overlooked, and the result was that, through a most unfortunate oversight, these ships continued to receive the benefit of the exemption until March of this year. The enjoyment of the exemption for a long time after the qualifying period had ceased to exist, can hardly be regarded as a justification for its continuance. In reference to the suggestion that the pilotage charges are being exploited in the interests of taxation, I am informed by the Harbour Trust that that is not so; they are requisite to meet the costs of the service.

There are some points raised by Mr. Seddon and other members, which require refer-

ence to the departments concerned, but I hope soon to be able to make a statement in regard to these. I have already gathered some interesting information in reference to the discussion on the Supply Bill, and I will endeavour to submit it to the House at an early date.

I compliment Mr. Elliott, a new member, on his most interesting speech on the gold-mining industry and matters incidental thereto. It is clear that the hon. member gave much thought to the question and prepared his matter with care—a course which always gives value to public utterances.

There are subjects upon which I do not propose to touch. One is the report of the Royal Commission appointed to inquire into the administration of the Agricultural Bank. I prefer to wait until the officers of the Bank have availed themselves of the opportunity to place their side of the case before Parliament. However, nothing was said that would prejudice the case of those officers. Nor do I intend to discuss the Transport Board. In this I will follow the example of many members who have spoken. Only in one instance were remarks made that could better have been left unuttered at this stage. A stipendiary magistrate is engaged in hearing a large number of appeals against the refusal of the board to renew licenses. I think the proper course to pursue is to avoid a discussion upon matters that are still sub judice. There is the Secession delegation. The Government have not been dilly-dallying with this matter. I feel sure that when the appointments have been made, the Government will be able to justify the selections. That is all I can say on the question at the present time.

Question put and passed; the Address-in-reply adopted.

President to present Address.

THE CHIEF SECRETARY (Hon. J. M. Drew—Cent.al) [7.46]: I move without notice—

That the Address-in-reply agreed to by the Council be presented to His Excellency the Lieut.-Governor by the President and such members as may desire to accompany him.

Question put and passed.

BILLS (4)—FIRST READING.

1, Forests Act Amendment.

2, Mortgagees' Rights Restriction Act Continuance.

3, Reduction of Rents Act Continuance.

4, Supreme Court Criminal Sittings Amendment.

Received from the Assembly.

MOTION—ROYAL PREROGATIVE OF PARDON.

Disqualification of Hon. E. H. Gray, M.L.C.

HON. H. SEDDON (North-East) [7.52]: I move—

That, in the opinion of this House, the free pardon granted to the Hon. Edmund Harry Gray, insofar as it professes to remove the disqualification incurred by him under Section 184 of the Electoral Act, is of no force or effect, inasmuch as it is not a proper exercise of the Royal prerogative of pardon.

May I say at the outset that this motion may be deemed to be quite unprecedented in the history of the House, just as the circumstances that have called for it also constitute a precedent insofar as it relates to the exercise by His Excellency of powers delegated to him as Lieutenant-Governor from His Majesty the King. Those powers are peculiarly the prerogative of His Majesty, and therefore their exercise should be undertaken only in circumstances where they can be fully justified and where a feeling of the sense of responsibility in exercising them can be demonstrated. Certain aspects of the action which has called for this motion are so important as to demand an expression of opinion from this House. Let me, to clear the position, read from Halsbury's "Laws of England," Volume 6, page 400, certain words dealing with the Crown in relation to the law, which cogently set out the position, as follows:—

All writs and legal processes run in the Sovereign's name, and are executed by his officers; and all judges and magistrates are appointed by and derive their authority, either mediately or immediately, from him. But they must exercise their authority in a lawful manner, without deviating from the known and stated forms; for the laws are the birthright of the people, and the Sovereign has no power to change them apart from Parliament. Nor may he interfere with the due administration of justice, and although his person is above the reach of the law, it is his duty to obey it.

Those are serious and weighty words but they do convey the dignity and majesty of the law, which is the means whereby society maintains order and peace in the community,

in the interests of that community as a whole. The law is our right. It is there to protect the weak and restrain the strong. It is there to preserve our liberty from usurpers and safeguard the rights of the people. It may clarify the position somewhat if I point out that the purpose of the law is to preserve equity and justice. The word of the law states what is held to be wrong. The object of the law is to deter, not to punish. In effect, it says that in the public interests you shall do or not do certain things. If one should persist in doing forbidden things, the penalty for so doing is plainly set forth. These statements of principles are essential although, of course, they are everyday platitudes. But they are more than platitudes for they are the basis on which we maintain our society, the basis upon which we have achieved the high standard of freedom under which Parliament operates and the welfare of the community is preserved. Unfortunately, there are personal feelings which naturally are associated with cases such as we have under consideration. Unfortunately, too, there may be an inclination to apply the political aspect, though I think we ought to keep as far as possible from any association with politics, and simply review the whole position from the standpoint of the principle upon which we hold our positions as members of Parliament. I wish to say that in the course of my remarks there will be nothing directed in any way personally against Mr. Gray. I have been on terms of cordial friendship with the hon. member and, although there are many views in which I do not agree with him, and of which I cannot approve, I admire him for the work he has done in connection with unemployed relief in this State, for invariably he has used every effort and devoted a large portion of his time to relief of that and other forms of distress. I sympathise with him in the position in which he finds himself, the position in which he has placed himself, and it is distinctly unfortunate that, although he may be regarded as more or less guilty of a technical offence, there are certain aspects of the question which affect the Constitution and the rights of this House and of the people. Those aspects seem to me far more weighty than the mere circumstances associated with the offence for which he was convicted. Public opinion is a peculiar thing, especially in regard to elections.

Things are done and said at election time which in ordinary circumstances would not be tolerated for a moment. Aspersions are made and freely made against people who have stood high in the regard of the public. Because of their association with one or other political party, all sorts of aspersions are cast upon them. To such an extent has this persisted that Parliament itself, in the endeavour to clean up something of those undesirable influences associated with Parliamentary elections, passed certain legislation. That legislation was designed to enable elections to be conducted more or less on decent lines and consequently laid down certain things that may not be done. The legislation also demands a sense of responsibility and particularly a sense of decorum on the part of members of Parliament. The law appeals to the moral sense of the people to observe those restrictions. Unfortunately the moral appeal is not sufficient, and so the law sets out penalties as a further deterrent. The law must be observed and enforced. Otherwise the law becomes of no account. The present position is in no small degree due to the fact that the law dealing with electoral offences has been largely held in the background. It has not been enforced, and it has become the practice to do many things that are really contrary to the law because attention has not been directed to them. Because the law has not been enforced, those things have been allowed to pass. The law is there to be invoked if need be, and once invoked it must be enforced. It may be contended that the law is too exacting, that the penalties in this case were too severe, that the punishment prescribed for the offence was out of all proportion to that meted out to ordinary citizens. This law has been on the statute book for 27 years; it has repeatedly been amended, but at no time until now have its sections relating to offences and penalties been questioned. Nor have attempts been made to amend them. When the measure was placed on the statute-book, many members of the present Ministry occupied seats in Parliament and took part in the debates associated with the passing of the Bill. The Bill was subjected to the severest scrutiny, because it involved a principle which, up to that time, had not been included in the Electoral Act. It involved the principle of the establishment of preferential voting. Although that principle was most strongly

opposed by many members of the present Government, the fact remains, so far as we can gather from a study of the debates, that members were quite satisfied with the penalties imposed and were quite satisfied to submit themselves to the penalties, although they involved results quite out of proportion to and far severer than those meted out to ordinary offenders. We might inquire why the penalties were made so exceptional when a member of Parliament is concerned. To refresh the minds of members let me quote the sections concerned. Section 181 refers to undue influence. Subsection 5 reads—

Any person who at any time between the issue of the writ and the close of the poll publishes or exposes, or causes to be published or exposed to public view any document or writing or printed matter containing any untrue statement defamatory of any candidate and calculated to influence the vote of any elector shall be guilty of undue influence.

Section 184 provides that any person who is convicted of bribery or undue influence shall, during a period of two years from the date of the conviction or finding, be incapable of being chosen or of sitting as a member of the Council or the Assembly. Those laws and penalties were framed by members of Parliament for members of Parliament. They were imposed with the unanimous consent of all parties at the passing of the measure. The reasons for that, I think, are quite clear. Parliament is the maker of the laws. Law-makers expect the laws to be obeyed. Law-makers in turn are expected to know the law and to set an example. The position of a member of Parliament renders his influence far greater than that of the ordinary citizen. To prevent that influence being wrongly exerted, a special penalty is specified, firstly to indicate his responsibility, and secondly to visit the consequences of any unfair exercise of his influence as a member of Parliament. In the present instance certain extraordinary procedure was adopted. In the ordinary course of events, what would happen would be that the magistrate would report to the Crown Law Department the result of the hearing and of the conviction. The Crown Law Department, in turn would bring the matter under the notice of the Minister. The next step, I take it, would be that the Minister would bring the matter under the notice

of Cabinet, and the Minister in this House would report to the Council and to you, Mr. President. In this instance what appears to have occurred was this: the matter got as far as the Minister for Justice and, judging by a very hasty perusal of the papers tabled in another place, a pardon was granted to Mr. Gray on certain grounds. A recommendation was placed before Cabinet by the Minister for Justice that a pardon be extended to Mr. Gray, and an Executive Council minute was recorded in which the Lieut.-Governor acceded to the request. Then follows the pardon in the terms published in the Press. Instead of the obvious course being followed, an intervention took place in Executive Council whereby the powers of the Lieut.-Governor were invoked, and he extended to the member a free pardon giving him complete relief from all the penalties associated with the conviction and also removing the disability or incapacity of retaining his seat as a member of the Council. Ordinarily Section 38 of the Constitution Act Amendment Act would cover the case of the hon. member. Section 38 reads—

If any member of the Legislative Council or Legislative Assembly, after his election (1) ceases to be qualified or becomes disqualified . . . his seat shall thereupon become vacant.

Section 66 of the Electoral Act provides that whenever a vacancy occurs in either House from any cause, the President or Speaker, as the case may be, upon a resolution of the House declaring such vacancy and the cause thereof, shall by warrant under his hand, in the prescribed form, direct the Clerk of the Writs to issue a writ to supply the vacancy. Methods by which the powers of the Governor may be exercised are set out in Letters Patent, which it may be interesting to quote. Section III. reads—

We do hereby authorise, empower and command Our said Governor to do and execute all things that belong to his said office, and to exercise the powers and authorities vested in him by the Western Australian Constitution Act, 1890, or by any other Act adding to, amending or substituted for the same, or by these our Letters Patent and by such Commission as may be issued to him under our Sign Manual and Signet, and according to such instructions as may from time to time be given to him under our Sign Manual and Signet, or by Our Order in Our Privy Council, or by Us through one of our Principal Secretaries of State, and to such Laws as are now or shall hereafter be in force in the State.

Section V. provides that the Governor shall then and there take the oath of allegiance as provided and likewise the usual oath for the due execution of the office of Governor, and for the due and impartial administration of justice. Section X reads—

When any crime or offence has been committed within the State, against the Laws of the State, or for which the offender may be tried therein, the Governor may, as he shall see occasion, in Our Name and on Our behalf, grant a pardon to any accomplice in such crime or offence who shall give such information as shall lead to the conviction of the principal offender, or of any one of such offenders, if more than one; and further, may grant to any offender convicted in any Court of the State or before any Judge, or other Magistrate of the State within the State, a pardon either free or subject to lawful conditions, or any remission of the sentence passed on such offender, or any respite of the execution of such sentence for such period as the Governor thinks fit; and further, may remit any fines, penalties, or forfeitures due or accrued to Us. Provided always that the Governor shall in no case, except where the offence has been of a political nature unaccompanied by any other grave crime, make it a condition of any pardon or remission of sentence that the offender shall absent himself or be removed from the State.

Section VIII. of Instructions to Governor gives directions as to the manner in which the power of pardon shall be exercised, as follows:—

The Governor shall not pardon or reprieve any offender without first receiving in capital cases the advice of the Executive Council, and in other cases the advice of one, at least, of his Ministers; and in any case in which such pardon or reprieve might directly affect the interests of Our Empire, or of any country or place beyond the jurisdiction of the Government of the State, the Governor shall, before deciding as to either pardon or reprieve, take those interests specially into his own personal consideration in conjunction with such advice as aforesaid.

In this instance it appears that the advice was given by the Minister for Justice and upon that advice the Lieutenant-Governor acted. Apparently no limitations are expressed in the Letters Patent or in the Instructions to Governor. I should like to point out, however, that those powers are to be exercised subject to the law and subject to the due and impartial administration of justice. The prerogative of pardon by the Governor is purely a Royal prerogative, and therefore its exercise involves a very serious sense of responsibility. This includes the weighing of consequences of decisions. Deci-

sions constitute precedents. They may seem right and proper in certain cases, but unfortunately they may, at a later stage, be quoted and used in cases to which their application could not be deemed so right and proper. There is no gainsaying that the power is that of the King, although it has been entrusted to his representative in this State, the Lieutenant-Governor, and the very fact of its being a Royal power demands that its exercise shall be subject to more than usual caution. The King's own powers are, for the time being, at the mercy of his deputy, and any other than the right and proper exercise of those powers means that the King's honour and impartiality are compromised. Therefore the circumstances attending the exercise of such powers call for the closest scrutiny. What are the circumstances? There is an electoral offence specially legislated for by Parliament. Therefore it is peculiarly the business of Parliament. Under our system of government the Executive Council is composed of men who are members of a political party, and the conviction is against a member of a political party. The very fact that members of the Executive Council are members of a political party, whether of the same party as the person concerned or another party, imports into the position a factor which renders it necessary that the exercise of the power shall be undertaken only after there has been an attempt to deal with it entirely from the standpoint of impartiality. If the circumstances are any other, imputations cannot be avoided. We know that public opinion has already expressed itself very caustically over what has taken place. My contention is that in the circumstances the Lieut.-Governor would have been justified in referring the matter—and well advised, too—to some other tribunal before finally deciding to exercise the powers of pardon. The exercise of this power has in the past been limited to occasions when a person has been wrongly convicted, where an innocent person has been liberated from the consequences of the conviction that has been recorded against him. It may be exercised in cases where men who, through ignorance, being innocent of intention to do wrong, have been convicted of a charge. I contend that a very far-reaching precedent has been established. Even the power to pardon under the Royal prerogative is subject to limitations. There are circumstances where

the King himself cannot exercise his power. It cannot be exercised in the case of a private wrong. Again, I would refer to the volume of Halsbury's Laws of England, paragraph 611, which reads—

The Crown enjoys the exclusive and inseparable right of granting pardons, and this privilege cannot be claimed by any other person, either by the grant or prescription, though it is usually delegated to Colonial Governors. Pardons may generally be granted either before or after conviction. But no pardon is pleadable in bar of an impeachment by the Commons and the penalty of a præmunire imposed by statute for committing to prison out of the realm cannot be remitted. The right of pardon is, moreover, confined to offences of a public nature, where the Crown is prosecutor and has some vested interest, either in fact or by implication and where any right or benefit is vested in a subject by statute or otherwise the Crown, by a pardon cannot affect it or take it away.

The circumstances in this case are that a man sued in the court for a wrong that he had sustained. The law is quoted, and a conviction is obtained by the person suing. The Electoral Act vests in candidates certain rights, certain protection. Undue influence shall not be exercised. I contend that the circumstances warrant further inquiry, and an exhaustive inquiry, before the prerogative can be exercised at all. This is clearly a case where a private wrong has been sustained, and in such a case, if this authority be accepted, the Royal prerogative cannot apply. Another man has been tried, convicted, and punished for the same offence. This pardon exempts Mr. Gray from the penalty imposed upon him by the court. Is there to be, by the action of the King's representative, one law for a Parliamentarian whereby he may go free, while another pays the whole penalty of the law for his action? There is a further aspect of the case. This pardon purports to remove a disqualification from a member of Parliament. The law says this House shall be constituted in a certain way. As was said the other day, there are many ways out of Parliament; there is only way in. Members may enter by one door only, that provided by the elections. Here is a man disqualified by law from holding his seat, who by his own act has placed himself outside Parliament. He is restored to his position, and replaced in Parliament, by the King, through his representative. By the power exercised by the Lieut.-Governor, on

the advice of his Ministers, this pardon has been granted. I contend that this constitutes an interference with the rights and privileges of Parliament. It is a usurpation of the rights of the people, who are the only persons who can say who shall or shall not be members of Parliament. I contend that a precedent has been established here that may have very grave consequences. What possibilities does it open up for the future, in either similar or other cases! What will be the moral effect, and what will be the actual effect? What is the moral effect upon the general public? Are the people to believe that a member of Parliament can exercise powers, and can do things that are wrong, and escape scot-free, while the ordinary citizen must suffer the penalty for a similar wrong? What is the actual effect? Under this precedent, a member of Parliament at a future election may indulge in the exercise of any undue influence, may cause a pamphlet to be published or expose it to view immediately before an election against the candidate and under conditions where that candidate has no right or time to reply, and having exercised this undue influence he can claim that he is free from any penalty because on a previous occasion, when a similar offence took place, the person who committed it was pardoned by the exercise of the Royal prerogative. Of recent years things have been done entirely illegally with regard to enrolment. A case occurred recently where a man collected and submitted a large number of claim cards for enrolments for the Legislative Council. It was found upon examination that these cards were forgeries, and that the man had forged the signatures of electors on the claim cards. This was discovered when the signatures on other claim cards by the same persons were compared. References have been made in this House before to irregularities in regard to enrolments. The whole question of the conduct of elections and the preservation of the purity of Parliamentary elections has for some time been under a very dark cloud. In the circumstances I contend that before there is any question of permitting the penalty imposed upon members by others to be remitted, the whole of the circumstances affecting the rights of the people and the rights of Parliament should seriously be considered. May I refer to the state of affairs as it exists in the mind of the public to-day?

For many years Parliamentary government has been severely criticised and scrutinised, and never more so than at present. In many countries its very existence is threatened. In other countries the system has been overthrown. People have deemed that it has outlived its usefulness. To them it is a procedure which appears cumbersome and opposed to the country's interests. The days of its trial have passed, and it is no longer deemed to be of use. If to the charge of inefficiency laid at the door of Parliament, there is added that of unworthiness, it provides an opportunity for the public to assume that Parliament has fallen from its high estate. The last vestige of respect for Parliament will have gone, and the way will be opened for upsetting the existing order of government. Certainly the way has been opened for a suggestion of that kind. I claim that the pardon has been improperly exercised, and that the power has been utilised to grant a pardon which should never have been given. A pardon cannot be granted in the case of a private wrong. The penalty imposed was imposed by members upon themselves. There has been an interference with the constitution of this House. Something has been done that is outside the King's prerogative. Only the people can elect members to this House, not the King. This action therefore amounts to an interference with the rights of the people. The precedent constitutes a menace to the whole system of justice, and the respect upon which adherence to the law is founded. I therefore ask members carefully to consider all these aspects of the case and to have due regard to their responsibilities to the people which have grown up around the Parliamentary system under which this country is intended to be governed. I ask them to have regard to their responsibilities to the people who placed us in our positions, and jealously to safeguard the integrity and impartiality of the law, the administration of justice to which all citizens are entitled, and the rights upon which constitutional government are founded. This resolution may be referred to as simply an expression of opinion. The law lives and is effective only by force of public opinion. If further action is contemplated by the House, it can only be taken on the expressed opinion of the House, which is sought in the motion, to give support to which I now appeal to members.

On motion by Chief Secretary, debate adjourned.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [8.29]: I move—

That the House at its rising adjourn until Tuesday next, the 4th September, 1934.

Question put and passed.

House adjourned at 8.30 p.m.

Legislative Assembly,

Wednesday, 29th August, 1934.

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

QUESTION—RAILWAYS, STAFF MATTERS.

Overtime and Handling of Goods.

Mr. HAWKE asked the Minister for Railways: 1, How many additional men have been given full-time employment in the railway service since the 1st July, 1934? 2, Is it proposed further to increase the staff, in order that excessive overtime may be obviated and expeditious handling of goods insured?

The MINISTER FOR RAILWAYS replied: 1, 61. 2, Yes, as and when necessary.