

# Legislative Council,

Wednesday, 13th September, 1932.

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

## BILL—MINING ACT AMENDMENT.

Read a third time, and *passed*.

## BILL—FINANCIAL EMERGENCY TAX.

### *Second Reading.*

Debate resumed from the previous day.

**HON. H. SEDDON** (North-East) [4.35]:

An understanding was established in the House during the debate on the Financial Emergency Tax Assessment Act Amendment Bill that the two Bills would be discussed as one. Unfortunately I was unable to participate in that discussion, but I do not intend to transgress on that account. My remarks will really have to do with the question of taxation, a question which at present demands more than ordinary consideration by the House. We know that the State is not meeting its liabilities, and that certain Government assets are not paying their way, in addition to which we have certain expenditure that must go on in the carrying out of Government services. The only way in which we can meet that expenditure is either by taxation or by loan expenditure. Many of us are opposed to any further loan expenditure, especially in view of the condition in which many of the Government assets, which are being conducted at present from loan, stand to-day. Therefore the alternative is taxation. In attempting to deal with the Bill, especially in the direction of amending it, we have to bear in mind that the gross amount estimated by the Government to come in as the result of this tax cannot be reduced: in fact having regard to the state of the finances, one can only conclude that no more will be received than

is necessary. This method of taxation is one which I have always supported because I consider that taxation at the source is at once the most effective and the least felt. The annual recurrence of our income tax assessments frequently brings us face to face with the necessity for finding an amount that takes a great deal of meeting without our being able to make preparation for it. That disability does not occur when the taxation is deducted from time to time. A great deal of the ground regarding this tax has already been covered by previous speakers and need not be gone over again. A good deal of information as to expenditure has been given to us by the Minister, and I feel sure that information will have a material influence on members in the view they take of this tax. We have to recognise that the Bill, as well as the assessment measure, is in accordance with the policy enunciated by the Government, who have from time to time expressed their disapproval of the so-called flat rate. The Bill represents an attempt to alter that rate. A great deal has been made of the idea of regulating a tax by capacity to pay; and that has been met with the argument for the granting of the legislation before us. While that is an important aspect of taxation, I am inclined to think it has been carried altogether too far. There is a very great difference between recognising and adjusting taxes with the capacity of a person to pay taxation, and the exempting of some people from the payment of any taxes at all. That is where I differ from the policy of the Government. In a democratic community established with the idea of being self-reliant, there should obtain the fundamental principle that every citizen should bear some part of the expense of governing the country, and certainly should bear his proportion of the expense of the free services rendered by the Government. It has been argued that those to be exempted under the Bill are paying indirectly. In certain directions that is true, especially in regard to the Federal tariff and the sales tax. But that is rather a vicious principle to be permitted to creep into the policy of taxation. It has its reactions in political propaganda, creating a certain undesirable attitude towards Government expenditure. By that propaganda only too frequently it occurs that while benefits are enjoyed by certain sections of the community other sections have to do all the paying.

Hon. J. Nicholson: It is said that those exempted pay indirectly.

Hon. H. SEDDON: There again we encourage quite a false idea, because while they do not recognise the true effect of indirect taxation, if the taxation were direct it would enable people to realise exactly the cost of the services they enjoy. At present many of them entertain the idea that the other fellow is paying.

Hon. J. Nicholson: He does not pay exclusively.

Hon. H. SEDDON: Undoubtedly that is so. Many of our ideas of policy have come down from the early days of Parliamentary government and are accepted without regard to the changes that have occurred in the meantime. The factor of exemptions comes down from the time when the wages of the working man were not subject to the control of the Arbitration Court, and from the time when the workers were not represented in Parliament, and were indeed in such a position financially as to be unable to pay taxes. With the establishment of the Arbitration Court that state of affairs has been entirely altered, wages are now determined by the court, and therefore one of the factors that should be taken into consideration by the court is the payment of taxation, which should be considered when wages are being determined.

The Honorary Minister: You are aware that it is not taken into consideration.

Hon. H. SEDDON: Yes, but I see no reason why it should not be, if it were brought under the notice of the court. So I contend that my argument holds good. The assessment measure, on the other hand, as we amended it, includes many who do not receive the basic wage. As an illustration, I again refer to the position of certain goldfields employees of the Government who are receiving less than the basic wage, and of course to those who are on sustenance. The remedy is in the hands of the Government. If the meeting of that obligation should involve the Government in additional expenditure, they will have a strong argument for the retention of the scale adopted in the Bill. As to sustenance, we know that the policy the Government have outlined in the Press will involve a considerable increase in expenditure on sustenance. We saw the announcement by Mr. Kenneally, who showed that arrangements were being made for men to be a certain time on full pay and

a certain time on sustenance. The putting into operation of that programme involves the Government in increased expenditure, and therefore I say the amount they are going to receive under the Act will naturally come into consideration. Certain information should be placed before the House while we are considering this Bill. Mr. Baxter says he intends to alter the incidence of the tax, and advanced certain figures when discussing the Assessment Bill in support of his contention that he would thereby be able to raise the same amount that is provided in the Bill. On the other hand, I think that before we take any such serious step we should have authoritative information from the Commissioner of Taxation and from the Government Statistician. When one considers the returns that are received under the hospital tax, and compares them with the amounts which are supposed to be received under this tax, we see there must be a considerable difference. As the two taxes are collected at the source, that difference should be cleared up by the authorities before we make any attempt to alter the incidence of the tax, and the grades proposed by the Bill. For that reason I intend to support the suggestion that the Bill be referred to a select committee, whose members could consult the officers concerned, and no one else, and who could also have some sort of understanding as to what the Government's policy was. This information is necessary to enable the House to give an intelligent decision upon the proposal to alter the rates. Another aspect on which information is desirable is as to the policy of Government expenditure, especially with regard to emergency legislation. Certain Bills have already been brought down, being associated with Acts that were placed on the statute-book following upon the Premiers' Plan. Other Bills have not yet been introduced. A Ministerial reference has been made to the matter, and it was indicated that these measures would be brought down.

Hon. J. J. Holmes: When it suits the Government.

Hon. H. SEDDON: I did not mean to say that. We understand they will be brought down in some form or other. We can see from that statement that alterations are contemplated to these measures. This House should be in possession of the information before we pass the Bill which has been brought down, and finalise

consideration of this one. Whatever improvement has taken place in the position of the State and the outlook for the State, I do not think any of us can maintain that such alteration has been of a kind to justify us in making drastic amendments to the financial emergency legislation. The State has not yet balanced its budget. The decision of the Loan Council would seem to indicate that that is not contemplated, and that the States will continue to create deficits. I cannot see any way in which the States intend to balance their budgets. It seems to be the accepted idea that they will continue to incur certain loan expenditure, and float loans raised by Treasury bills.

Hon. A. Thomson: Something like six million pounds.

Hon. H. SEDDON: According to the statistical return to the 30th June last, there is to the account of Western Australia ten million pounds in debentures, 58 million pounds in inscribed stock, and 13 million pounds in Treasury bills and bonds, making a total of 83½ millions. There is an undoubted increase in the public debt as a consequence of the advent of the depression. From the same authority we find that in 1929 the amount of the State's interest and sinking fund bill was 3½ million pounds, and the average nominal rate of interest was 4½ per cent. In 1933 the amount of the interest and sinking fund was 3½ millions, as against 3½ in 1929, and the average nominal rate of interest was 3.9 per cent. That showed a very slight increase in the actual amount of interest and sinking fund contributions by this State, but a very large increase in the amount of public debt. The public debt in 1929 was 69½ million pounds, and in 1933 it was 83½ million pounds. Although the public debt increased something like 14 million pounds the actual amount of increase in our interest and sinking fund bill was £168,000. The burden of interest has not increased anything like in proportion to the debt, on account of the average nominal rate of interest having dropped during the period. That is an important factor. It shows that the persons who are advancing money to enable us to carry on are taking considerably less interest per cent. than they did at the beginning of the depression. This has been brought about almost entirely by the fact that the financing has been done by means of short term loans on Treasury bills. Nevertheless that

type of financing has some serious features in it, and should be regarded only as a temporary expedient.

Hon. J. Nicholson: And then the rate may be increased.

Hon. H. SEDDON: The rate would be increased if the bills were funded.

Hon. Sir Charles Nathan: And there would be the obligation of a sinking fund.

Hon. H. SEDDON: There would be the obligation of 4 per cent., which has to be paid when deficits are funded. This again would be reflected in taxation. Consequently when we are considering this Bill we are confronted by the fact that the Government must have an amount somewhere in the vicinity of what they have stated they require to enable them to carry on. Our progress towards economic self-sufficiency during the depression has been very slow. In spite of the efforts of many people to encourage the community to patronise local production the amount of imports both overseas and from the Eastern States is still very high, and last year there was an increase over the previous year. Experience, all over the world is driving nations in the direction of striving to supply their requirements almost entirely from their own resources. Anyone who has examined the position of Western Australia will realise a tremendous amount of development can be undertaken in this direction. That is the one course to adopt for the rehabilitation of our position and to enable us to reach a sound basis. It is the one course which offers the greatest possibilities with regard to employment. It is also the one course that will provide a local market to assist in the consumption of those products we are now exporting. The burden of overseas interest is being lightened by a reduction in interest rates and by means of conversion loans. My contention is that this is not enough. We should have concentrated upon making every effort to reduce our overseas obligations, and the whole of our sinking fund should have been applied towards redeeming our overseas debt commitments. I will go further and say that the first call upon the finances of our exports overseas should be devoted to this purpose. It is recognised by economists that nations can only trade with each other by the exchange of goods. There is nothing to prevent Western Australia from buying its bonds—which have been floated overseas

—with the surplus of its exports, and purchasing only those imports which are essential. That is the position we will have to face sooner or later, if we intend to become anything like a self-contained community. We shall have to do something drastic to lighten the burden of our oversea obligations. I am entirely opposed to the idea of making this Bill retrospective as applied to salaries and wages. This House has usually been very strong on the question of retrospection. It has slipped on one or two occasions. Members will recall the question of hire purchase agreements when the application of the principle of retrospection was adopted by this House. That, I think, was a great mistake. Members have now reverted to their old attitude on the subject, and I hope they will adhere to it. The scale laid down in the Bill is one that warrants not only serious thought, but further information. I support Mr. Baxter's proposal that a small select committee should be appointed to get the necessary information over the week-end, and present it to the House, perhaps next Tuesday. We should then know what amount it is proposed to raise from the various sections which are contributing under the hospital tax and the financial emergency tax. We shall also know what is to be expected by way of contributions from the sections referred to in the report of the Commissioner of Taxation. The table given by Mr. Baxter, and founded on that report, does not give all the information required. A large number of people are not rendering annually any income tax returns, and yet they are contributing by way of their wages sheets. It appears to me these figures will have a material effect in modifying the calculations of the hon. member. I support the Bill in the hope that it will be amended in Committee, and urge the House to refer it to a select committee.

**HON. J. J. HOLMES** (North) [4.58]: I propose to offer only a few remarks on this Bill. It seems to me that this House, having shattered the walls of the structure, and the foundations of the Assessment Bill, is now being asked to put a roof on the structure, before the fate of the Assessment Bill has been decided. It would be absurd to proceed with this Bill until we know what is going to happen to the other one. If the Leader of the House will on behalf of the Government say they are prepared to accept

the amendments to the Assessment Bill, as it left this Chamber, we can proceed with the business.

**Hon. G. Fraser:** And show the white flag.

**Hon. J. J. HOLMES:** Until we know that, I cannot see that any good can be gained except possibly by referring the Bill to a select committee, but certainly no good can be gained by proceeding with it now. We have parted with the Assessment Bill. If we go on with this one and amend it, such amendments may require some clause in the other Bill to be altered. We cannot, however, deal with that aspect of the question. Once a Bill leaves this Chamber we can only deal with the amendments that have been made by us to certain clauses. The clauses that have been passed have been passed once and for all. I cannot see how this House can compile a tax Bill upon an Assessment Bill that has been hanged, drawn and quartered. No one knows whether it is dead or alive. How can we proceed at this juncture? My candid opinion is that when we come to emergency taxation the only equitable basis is the flat rate. Certainly under that everybody pays on the same basis, but a man getting over £1 a week pays on £1, and a man getting £4 pays on £4, and so on. That is the only income tax that the wage earner on the lower grade pays. The higher grade man pays on a graduated scale. If we take into consideration the taxation that they pay on their incomes, and plus that on every £1 of income that they get, it will be seen that they are caught at both ends and are discouraged from developing any business with which they may be connected. A man in possession of any money now is prepared to take 2½ per cent. from the bank on fixed deposit. He knows that if he invests money in these troublous times he is up against two hard facts. One is that he may lose the money and the other is that he may increase his income to such an extent that it will be taken from him. The Premier entirely agrees with me on this point because during the present session he said, "Everyone knows that increased taxation means increased unemployment and increased trouble and difficulty." With that statement I entirely agree. I do not propose to say more than that I do not think the House is justified in proceeding with the Bill at the present juncture. If the Leader of the House insists on putting it to

the second reading vote, I shall record my vote against it.

On motion by Chief Secretary, debate adjourned.

### **BILL—REDUCTION OF RENTS ACT CONTINUANCE.**

Received from the Assembly and read a first time.

### **BILL—MINE WORKERS' RELIEF ACT AMENDMENT.**

*Second Reading.*

Debate resumed from the 7th September.

**HON. E. H. HARRIS** (North-East) [5.6]: The Bill is important as it amends the parent Act which was before this House last session and on which the then Minister for Mines, Mr. Seaddan, spent a considerable amount of time and energy and held a few conferences in the hope of effecting desirable amendments. Since the passing of the Act of last session several anomalies have been discovered, and the Crown Law authorities, who framed that Act, now find that certain employees, who should be entitled to compensation, apparently do not come under the terms of the Act. The Bill before us proposes to rectify the position and the remarks that I should like to make may perhaps be of assistance to those hon. members who are not as familiar with the operations of the Act as are the goldfields members. In Section 3 of the parent Act there is provision that, after the passing of that Act, the Miners' Phthisis Act of 1922 and its amendments and Regulations will come within the purview of the board. Under the scheme that formerly existed relating to mine workers' relief there was provision for voluntary payments, one-third of the revenue being paid by those engaged in the industry, one-third by the mining companies, and the other third by the Government. The first amendment in the Bill preserves the rights of a few men, who by an extraordinary set of circumstances appear to have been overlooked, and who are not now entitled to compensation owing to the Minister last year having given them permission to work on the surface instead of underground, and some of them having gone before the board and some to the laboratory have been prohibited from working but received no

compensation. Then by another clause we provide for the mantle of protection to fall on a few afflicted men, and again, the delay in the proclamation of the new Act caused a small number of men to be deprived of compensation under the new provisions. Another section provided that no beneficiary should be entitled to sit on the board to administer the Act. That, by the way, was provided for in a former Workers' Compensation Act and was omitted when the new one was drafted. Then delays have occurred in determining whether, after an examination, a man should be prohibited from working, and if so, whether he would receive his compensation from the date he had been rejected by the Medical Board, or from the date he ceased work. Provision is now made for these matters to be determined by the board. We were under the impression that in the original Act that was so, but we had to submit to the ruling of the Crown Law authorities. There are two clauses in the Bill which to me do not appear very clear. If members will look at the copious explanatory notes that are attached to the Bill, they, like myself, may not be able to satisfy themselves as to exactly what is meant. On these questions we may ask the Honorary Minister to give us some information when the Bill is in Committee. They relate firstly to lump sum payments to beneficiaries when they are eligible, if at all, to secure relief from the original Mine Workers' Relief Fund now administered by them; and, secondly, in regard to compensation. Provision is made for half wages up to £3 10s. and 7s. 6d. per child on lines somewhat similar to those provided in the Workers' Compensation Act. I know that some difficulties have arisen in that connection and some men complain that they have received the compensation to which they understood they were entitled. I have read the explanatory notes but I am not quite clear about them. The position, however, can be explained when we reach the Committee stage. In the meantime I will support the second reading of the Bill.

**HON. H. SEDDON** (North-East) [5.12]: My remarks will be brief because, as the previous speaker said, this is essentially a Committee Bill. I do think, however, we are justified in offering some comment on the manner in which legislation is put be-

fore us. Last session the Mine Workers' Relief Act was brought to the House after what we were told was a very thorough investigation, and we were given to understand that the Bill had been prepared by the Crown Law Department and that every aspect that was likely to arise as the result of experience in dealing with the men under the Miners' Phthisis Act and the Workers' Compensation Act had been given the closest attention. We find, however, that the present Bill is introduced to correct certain anomalies that have arisen from rulings given by the Crown Law Department, the very people who drafted the original Act. For some time past we have been compelled to consider the way in which Bills have been drafted. We have long involved clauses placed before us and some of them would take a Philadelphia lawyer to understand. There has certainly been a considerable change in the way legislation has been placed before us in recent years as compared with years ago. Some of the amendments proposed in the Bill are to overcome rulings given by the Crown Law Department, and they are said to be necessary to convey the spirit of the original Act. Why was not that provision made when the original legislation was being drafted? I have only to refer to Section 3 which apparently was devised to deal with the men who were in suspense, as it were. They were being held under the previous legislation and their cases were to be determined before this Act should operate. The wording of the provision was very definite, but we have been told that the department are not satisfied with it. Mr. Harris has referred to Clause 10. If members refer to the explanatory notes and then to the very long Clause 10, they will find certain things requiring explanation that the explanatory notes do not afford. In amending the original Act it is intended to provide that a man shall receive his £3 10s. compensation, but in cases where there is hardship the man is to be entitled to an additional amount. I contend that the clause is not at all clear as to how the funds are to be charged with the various amounts, and as to how the position of the men will be affected.

Hon. E. H. Harris: It is a matter of interpretation of what constitutes a hardship.

Hon. H. SEDDON: But there is also the question of the charges, and it seems to me that other anomalies will occur. The Act

provides that a man shall receive his compensation at the rate of £3 10s. a week until the maximum of £750 has been exhausted. Now there is an additional provision that he shall receive further amounts where hardship exists.

Hon. J. J. Holmes: Is the word "hardship" used?

Hon. H. SEDDON: Yes.

Hon. J. J. Holmes: Is there any definition of it?

Hon. H. SEDDON: Not so far as I can see. The point I should like to have cleared up is from what fund will the additional amount be paid, and what will be the position of the man who is drawing over £3 10s. a week in relation to the complete sum of £750? Let me give an illustration. Take a man, having a wife, who is receiving £3 10s. a week. He will cut out his £750 compensation in just over four years. Now take a man with a large family who will receive an amount over and above £3 10s. Does it mean that the larger amount will be taken into consideration in relation to the £750? If so, the man would probably exhaust the total in a little over three years. The parent Act provides that when he has drawn the £750, he shall come on the Mine Workers' Relief Fund.

Hon. E. H. Harris: If he drew the £3 10s. it would take four years to exhaust the £750.

Hon. H. SEDDON: I have pointed that out; the difference in the two cases would be about one year, and the fund would have to provide for the one man a year before it provided for the other. These anomalies should be inquired into by the Minister and cleared up before the Bill is taken into Committee. I do not wish to deal with the financial aspect because, unfortunately, the Auditor-General's report is not before us and we do not know the position of the compensation fund. We do know, however, that there is a large contingent claim against the fund under the original Act, and one wonders how far the fund will be able to meet the claims that will arise, and how far the compulsory Mine Workers' Relief Fund will be drawn upon when men have exhausted their compensation under the Workers' Compensation Act. There is one point to which I wish to direct attention because it is very important. It affects the men who will come under the Mine Workers' Relief Fund. There has been an amendment of the Old Age and

Invalid Pensions Act, and a question has arisen regarding the position of the men who are receiving income from the Mine Workers' Relief Fund. I understand that a ruling has been given by the Commonwealth Crown Law Department that any person receiving money under the Mine Workers' Relief Fund is regarded as receiving income, and under the provisions of the Federal legislation, his pension is materially affected. It comes down to the 15s. rate as against 17s. 6d.

Hon. E. H. Harris: That position has arisen only since the institution of the contributory fund.

Hon. H. SEDDON: I understand the position has arisen because of the passing of this legislation which makes contribution to the Mine Workers' Relief Fund compulsory. I understand, too, that there has been considerable confusion amongst the people administering the Mine Workers' Relief Fund and the Old Age Pensions Act, but the ruling I have mentioned has recently been given from Melbourne, and is the deciding factor. As the men will be affected, I considered it desirable to bring the matter before the House. I support the Bill because the anomalies existing should be cleared up, but there are important points connected with the later clauses of the Bill that I hope the Minister will explain in Committee.

HON. J. J. HOLMES (North) [5.22]: I do not intend to oppose the Bill. I have risen to ask for some information. As I understand the position, the Government provide something towards the Mine Workers' Relief Fund.

Hon. H. Seddon: The Government provide one-third.

Hon. J. J. HOLMES: I should like the Minister to tell us what the one-third amounts to at present and what it is likely to amount to if we make the amendments suggested in the Bill. I claim and have always claimed that if there is one industry that ought to carry its afflicted, it is the goldmining industry, especially with gold at the present high price. In these times of difficulty, the general public should not be burdened with the afflicted of the mining industry when the industry itself is contributing to the extent of only one-third. In fact, I do not consider that the State should pay anything at all. There is another question, namely that of secession and separa-

tion. We have a joint select committee of both Houses considering the question of effecting the State's withdrawal from the Commonwealth. I presume the committee can see a way out; otherwise they would not be continuing their investigations. A section of the goldfields people refuse to be taken out of the Federation. They will remain part of the Commonwealth even if they have to raise an army and fight their way out of the State and into the Commonwealth. If we reach that stage, and they fight their way out of the State, the question will arise as to who will be responsible for the payments we have made to the mine owners? Would we have any claim?

Hon. C. B. Williams: Who will pay the war pensions?

Hon. J. J. HOLMES: If the goldfields became a separate entity, would our responsibilities cease? It takes a lot to satisfy the people of the goldfields.

Hon. E. H. Harris: You are running the risk of getting into deep water.

Hon. J. J. HOLMES: I am coming to the deep water—the water supply scheme which has cost the State £100,000 a year for 25 years. That has been a charge on the general taxpayer and for it we have received no thanks. I wish to know to what extent the State has subsidised the mines to compensate the men who have become afflicted in the industry, and to what extent we will be required to subsidise them in future. Also what additional amount will be involved to meet the costs incurred by the passing of this Bill.

On motion by Hon. R. G. Moore, debate adjourned.

## RETURN—MINISTERIAL TRAVELLING ALLOWANCES.

Debate resumed from the 23rd August on the following motion by Hon. E. H. Hall:—

That a return be laid on the Table of the House showing—

- (i) The total amount of travelling allowances drawn by the Ministers of the Crown during the 12 months ended the 30th June, 1928, 1929, 1931, and 1932, respectively.
- (ii) How many visits to the Loan Council were made by the Premier during the above-mentioned periods.

**HON. J. J. HOLMES** (North) [5.27]: I do not propose to attempt to justify the remarks of the mover of the motion regarding Ministers of the Crown. Although the Minister's name has not been mentioned, I know him and have had a lot to do with him. I know what a conscientious worker he is, and I know him to be a man of outstanding ability and integrity.

Hon. T. Moore: Hear, hear!

Hon. J. J. HOLMES: What I am specially concerned about is that I do not want it to appear to the general public that when a member asks for information to which he is entitled, he should be spoken of and to in the manner Mr. Hall was in this debate.

Members: Hear, hear!

Hon. J. J. HOLMES: I remember, when quite a young man in another place, I was attacked by Sir John Forrest with the result that the whole House rose in defence of me because of my youth. I am standing now in defence of youth who has this lesson to learn, namely, that when he comes into this House, if he cannot get all he wants, he must be satisfied with what he can get. It took me a long time to learn that, but it is necessary for all to learn it. Mr. Hall must also remember the need for keeping cool. I am certain that when he stood up to address the House on that motion, he had no intention of attacking the Minister concerned.

Hon. T. Moore: Then why did he do it?

Hon. J. J. HOLMES: I will tell the hon. member presently. Mr. Hall has been long enough in the House to know that he ought to keep cool. He was certainly on the right track, and if he had confined himself to the motion and had left the Minister alone, as a more able and experienced Parliamentarian would have done, he would have reached the goal in a much better and shorter way. This is information that we should have. Strange to say, the Leader of the House declares that we cannot get it. Yet immediately afterwards Mr. Thomas Moore, whom we know and respect, as to whom we are satisfied that he would not make a statement unless convinced of its validity, said that the accounts were all audited by the Auditor General. That being so, surely there can be no difficulty in providing the information desired. What we should know for comparative purposes, in my opinion, is the amount of travelling expenses incurred by the Collier

Government in the three years preceding the Mitchell Government, and the amount of travelling expenses incurred by the Mitchell Government during their three years of office.

Hon. C. H. Wittenoom: That is what Mr. Hall's motion asks.

Hon. J. J. HOLMES: It goes further than that. However, that is information which I think any hon. member is entitled to ask for and should be supplied with. The second part of the motion, which we are told cannot be answered, reads—

How many visits to the Loan Council were made by the Premier during the above-mentioned respective periods?

Surely there must be some record of when a Premier leaves Perth and when he returns. If there is no such record, there ought to be. What I am concerned about, however, is the House being sidetracked, as it were, from obtaining information it is entitled to have, information about which I believe the public are somewhat concerned. If an hon. member who asks for definite information in a reasonable way is to be browbeaten, ostracised, and practically insulted, it will go abroad that we constitute a close preserve and that a man who attempts to step out of line will be attacked by all other members of Parliament, led on by the Minister in charge of the House. That is the point which concerns me—not the dispute between Mr. Hall and the Leader of this Chamber. And there is another aspect, the political aspect. It has to be remembered that the attack came from the Leader of the House and Mr. Thomas Moore.

Hon. T. Moore: Friends of Mr. Troy.

Hon. J. J. HOLMES: Yes, and colleagues of Mr. Hall. Mr. Hall is the member for the Central Province who is seeking re-election in March. So we begin to get a glimmer of what possibly underlies the attack.

Hon. T. Moore: Did we ever attack Mr. Mills?

Hon. J. J. HOLMES: It is quite evident from information which Mr. Thomas Moore has been able to disclose to the House, that there is some gentleman to whom Mr. Hall has been kind—

Hon. T. Moore: I question that.

Hon. J. J. HOLMES: —and who has been playing a double game, playing up to the two parties. Probably that gentleman will



end at the bottom of the ladder, as he ought to, with all others who try to serve two masters. It would appear that the attack—unjustified at that—was aimed at influencing some of Mr. Hall's political supporters. We may assume that the Government expect more from members of this House than they do from members of another place, because we recollect during this session an attack by the Premier on Mr. Keenan and on another ex-Minister compared with which Mr. Hall's attack pales into insignificance. Mr. Keenan has done great service to Western Australia. I need mention only one instance. When the last Federal Disabilities Royal Commission was appointed to deal with Western Australian disabilities, Mr. Keenan, I understand, put up the case for Western Australia, devoting to that task days and nights and weeks without fee or reward.

The PRESIDENT: I would like to remind the hon. member that no member shall allude to any debate of the current session in the Assembly.

Hon. J. J. HOLMES: But surely, Sir, we are permitted to read the morning paper?

The PRESIDENT: I simply quote the Standing Order. There must be no allusion to any debate of the current session in the Assembly.

Hon. J. J. HOLMES: But, Mr. President, surely we can read the papers. We read them and quote from them every day in the week. Am I not entitled to refer—

The PRESIDENT: If the hon. member gives me the assurance that he is not referring to a debate of the current session in the Legislative Assembly, he may proceed.

Hon. J. J. HOLMES: I am referring to what appeared in the Press, Sir. It is strange to see the sting. The sting is not in "Hansard", but in the newspaper that I read. Presumably somebody—

The PRESIDENT: I must ask the hon. member to respect the Standing Orders.

Hon. J. J. HOLMES: I am respecting the Standing Orders, as I have always respected them and your decisions, Sir.

The PRESIDENT: Then can I assume that the hon. member is not alluding to a debate of the current session in the Assembly?

Hon. J. J. HOLMES: If you rule, Sir, that I am not to read the morning paper or quote from what I have read in the morning paper, I also bow to your decision.

The PRESIDENT: The hon. member has, I think, made it plain that he was referring to a debate of the current session in the Legislative Assembly.

Hon. J. J. HOLMES: If you rule that I cannot proceed, Mr. President, I am certainly entitled to say—

The PRESIDENT: I simply quote the Standing Order. The hon. member will not give me the assurance that his remarks do not refer to a debate of the current session in the Assembly.

Hon. J. J. HOLMES: It is a debate in another place, reported in the newspapers, which are referred to every day in the week.

The PRESIDENT: Then the hon. member is not in order.

Hon. J. J. HOLMES: Very well, Sir; I am sorry. If one member can quote from the newspapers and I am prohibited from doing so, I am very sorry. The debate may have occurred in another place; and I am quoting not from "Hansard" but the morning paper. It shows that not only did Mr. Collier attack Mr. Keenan and others, but that he referred to their nationality—your nationality, Sir, and my nationality.

The PRESIDENT: I again must remind the hon. member that he is out of order.

Hon. J. J. HOLMES: All right, Sir. When somebody else is out of order I will draw your attention to it, Mr. President, so that he may not get on the same lines as I did. The point is this, that information asked for by Mr. Hall has been refused. If the refusal was due to Mr. Hall's attack on a Minister, perhaps no exception could be taken; but the information has been refused on the ground that it is not available. That statement came from the Leader of the House and was followed by a statement from Mr. Thomas Moore that all the accounts are audited by the Auditor-General and that everything is in order. If that is so, surely this House, in the present time of stress and difficulty, when curtailment of expenditure is in the front rank, does not ask too much when it asks for the amount expended by the Collier Government in travelling during the last three years they were in office, and the corresponding information as to the Mitchell Government for their three years of office. Evidently one standard of morality is set up for members of the Legislative Council in addressing one another, and another standard of morality for members of another place in addressing one another:

and that does not come from "Hansard" but from general information. If Mr. Hall's motion is amended as suggested, it will have my support. My principal desire in rising to speak was to disabuse the public mind of the idea that if a young member, full of zeal and knowledge—as the Leader of the House admits Mr. Hall to be—asks for information, all the old hands will jump on his chest for fear that when they in turn may be in office later their expenditure will be scrutinised. I support the motion subject to the amendment.

**HON. C. H. WITTENOOM** (South-East) [5.43]: I also wish to express my regret that the Leader of the House cannot see his way to furnish the information for which the motion asks. The reason given by the Minister is that to do so would mean a great deal of work. He also stated that the task would be the more difficult because the officials of the various departments were at the time assisting the Treasurer in the preparation of his Budget. It must be recognised that when a Budget is being prepared a great deal of work is involved not only for the Premier's Department but for all departments, and members generally will agree that that was a good reason advanced by the Chief Secretary. However, the time has now arrived when the Budget is complete, and therefore I do hope that the Chief Secretary will reconsider the matter and perhaps furnish the information desired by Mr. Hall. After all, the collection of the information does not appear to be a heavy task. The only information required is the total amount of travelling expenses and allowances of various Ministers for the years in question. No details regarding individual Ministers are required. It is not suggested that every Minister should furnish the information desired, but that the total amounts spent in travelling by the two Governments should be stated. If that information is forthcoming, it may show that people generally have formed too large an estimate of the amount so expended. I have been told that when Ministers do travel by Ministerial car, an extra engine has sometimes to be used to Chidlow's Well, or else a certain proportion of the train-load has to be dropped. If that is true, it certainly means that the allowance must represent a considerable amount during the year.

Hon. J. Nicholson: That would not be an allowance; it would be additional cost.

Hon. G. W. Miles: It is additional cost that the taxpayer has to provide for.

Hon. C. H. WITTENOOM: It is certainly extra cost to the railways. I would not for one moment suggest that Ministers should not have the use of the special coaches on the railways. Frequently they have to take a secretary, a typist and so on, and I know that on many occasions the trips are anything but joy rides. They involve hard work and endless worry. There may be times when Ministers have to travel to a place to carry out some relatively unimportant duty when, perhaps, the trip could be done in a less costly way, but that would not apply very often. Before concluding, I wish to make reference to the speeches of Mr. Hall and the Chief Secretary. That phase is one that I do not think any of us approach with pleasure. I have known both Mr. Hall and the Chief Secretary practically all my life. It was a matter of regret to me to listen to Mr. Hall's attack upon a Minister in another place and with equal regret did I listen to the Chief Secretary's attack upon Mr. Hall. I do not think the Chief Secretary's remarks were quite just.

Hon. E. H. Gray: Mr. Hall invited them, and he got them.

Hon. C. H. WITTENOOM: I agree that Mr. Hall acted hastily and jumped at conclusions without verifying his facts in any way. He committed a grave error in that direction. On the other hand, I think Mr. Hall was absolutely sincere. In fact, sincerity and outspokenness represent characteristics of Mr. Hall. We must all admit that, and when Mr. Hall made the statement that he thought the Minister was making a convenience of the Midland Railway, thereby putting the State to a certain amount of expense, whereas he could have travelled on the Government line, in Mr. Hall's opinion, for nothing, he sincerely believed the statement he was making.

Hon. T. Moore: But Mr. Hall referred to travelling expenses too.

Hon. C. H. WITTENOOM: I understand now that the Minister has a free pass over the Midland railway. Mr. Hall was rather unfortunate, too, in regard to another part of his speech. I happened to be travelling down from the Murchison and I met Mr. Hall and the Minister he referred to at

Mullewa. Instead of having a reserved compartment to which he was quite entitled, the Minister shared his compartment with me. I was surprised that he shared his compartment with another person. I certainly would have thought he would have travelled in a reserved compartment. Another member made reference during the debate to certain private business of Mr. Hall. The business was most decidedly private, and the reference was, in my opinion, absolutely uncalled for. It had nothing to do with the matter under discussion. So far as we know, Mr. Hall was assisting someone. There may be a time when that particular member or I may be in need of a few pounds and not be able to secure it from the banks or any other institution, and would be pleased to receive the accommodation from a friend. That might happen even to Mr. T. Moore himself.

Hon. T. Moore: Heaven help us if we fall into Mr. Hall's hands.

Hon. C. H. WITTENOOM: Mr. Hall was befriending a man.

Hon. T. Moore: That is quite wrong.

Hon. C. H. WITTENOOM: I think Mr. T. Moore's reference to Mr. Hall was particularly unfortunate. Mr. Moore also complained of the years mentioned in the motion. Those years were two during which the Mitchell-Latham Government were in power and to two years during which the previous Labour Government held office. Mr. Hall was adversely criticised for having selected the years in question, but since the debate commenced, I have seen a letter in an agricultural paper that shed some light on the position. It shows that Mr. Hall was definitely told by his constituents to mention those years. The letter I referred to was as follows—

In the "West Australian" of the 3rd inst., I read with amazement the reply by the Premier to the member for Nedlands (Mr. Keenan) in reference to the above subject. Concerning the travelling expenses of some of the members of the late Cabinet, ugly rumours have been afloat for sometime. In consequence of those rumours the Hon. E. H. H. Hall was asked by some of his electors to have the expenses published. After taking six months to make up his mind, the hon. member complied with the request. But the late Chief Secretary either bluffed the Hon. E. H. H. Hall or the Hon. E. H. H. Hall bluffed his electors. The net result was—question not answered. In view of recent disclosures, our executive should press for the question to be answered. The

new member for Mt. Marshall has a chance to prove if he be of use or otherwise.

The letter, which was dated the 6th July last, was signed "Taxpayer".

Hon. T. Moore: Does that letter mention the years specified in the motion? It does not make any reference to them.

Hon. C. H. WITTENOOM: No, but the letter refers to members of the Mitchell-Latham Government. So Mr. Hall asked the question relating to two years of the administration of the last Government.

Hon. T. Moore: And he could not get the information from them.

Hon. C. H. WITTENOOM: Mr. Hall's motion covers other years besides the two I have referred to. In order to make the information more effective, Mr. Hall selected two years during which another Government were in office. He could only select two years from a period before the Mitchell-Latham Government if he desired to get years in which another Government were in power, because he could not select two years subsequent to the Mitchell-Latham Government as two years have not elapsed since that Administration went out of office.

Hon. G. Fraser: And if you get the information you desire, how much better off will you be?

Hon. C. H. WITTENOOM: At any rate, I hope we shall get the information we desire and with that object in view, I support the motion.

**HON. SIR EDWARD WITTENOOM** (North) [3.55]: While I did not think the reply of the Chief Secretary to Mr. Hall's speech was justified, I regarded it as most sarcastic and amusing. I do not know where his speech originated, whether in the Chief Secretary's fertile brain or otherwise. I considered his speech extremely amusing and I was rather interested to think that he was able to make a most amusing incident out of a harmless reference by Mr. Hall. I cannot see any harm in asking for the information desired by Mr. Hall and I hope we shall get some particulars throwing light on this subject. When I heard Sir Charles Nathan say that Mr. Hall had charged a person 12½ per cent. on a mortgage—

The PRESIDENT: Order! The hon. member is making a mistake.

Hon. Sir EDWARD WITTENOOM: What mistake?

Hon. J. J. Holmes: Mr. Moore made that statement.

Hon. Sir EDWARD WITTENOOM: I am sorry I made that mistake.

Hon. T. Moore: I would never be foolish enough to pay it.

Hon. R. G. Moore: Sir Edward Wittenoom had better make it clear which "Moore" made the statement.

Hon. Sir EDWARD WITTENOOM: When I heard Mr. T. Moore say that Mr. Hall had charged a man 12½ per cent. on a mortgage, I naturally concluded that Mr. Hall was a usurer—

Hon. T. Moore: Which he is.

Hon. Sir EDWARD WITTENOOM: No one could come to any other conclusion. But when I heard Mr. Hall's explanation, I considered that he was entitled to great credit.

Hon. T. Moore: On the strength of the incorrect statements he made.

Hon. Sir EDWARD WITTENOOM: That is your opinion.

Hon. T. Moore: I know it, and can prove it.

Hon. Sir EDWARD WITTENOOM: It seems that the man befriended was, in the hon. member's opinion, to say the least of it, unpopular and even untrustworthy. He stated that neither the bank, Mr. Troy, nor Mr. Moore—

Hon. T. Moore: I am no money lender.

Hon. Sir EDWARD WITTENOOM: I do not say that the hon. member is.

Hon. T. Moore: Nor am I a usurer.

The PRESIDENT: Order! Hon. members must allow Sir Edward Wittenoom to proceed.

Hon. Sir EDWARD WITTENOOM: I would not like to see Mr. T. Moore in that position, by any means. If the statement that neither the banks, nor Mr. Troy nor Mr. Moore would help the individual concerned is correct, then Mr. Hall took a great risk in helping the individual, especially as Mr. Hall was advancing money that he had to borrow from the bank at 8 per cent.

Hon. T. Moore: On the man's own property; on his own deeds.

The PRESIDENT: Order!

Hon. Sir EDWARD WITTENOOM: I think Mr. Hall's action in charging the man 4½ per cent. for the accommodation was exceedingly reasonable, because he had to risk his borrowed money and stood the chance of never seeing his advance again, if the man he assisted was as represented. I

understand Mr. Hall's confidence was not misplaced as he received his money back again.

Hon. J. Nicholson: I think he had written off £300.

Hon. T. Moore: Mr. Hall agreed to disgorge that amount rather than face publicity.

Hon. W. J. Mann: Be fair.

Hon. T. Moore: I shall show you something outside.

Hon. W. J. Mann: That hor'yline business again.

Hon. Sir EDWARD WITTENOOM: How many members of this House would have agreed to take the risk of advancing the money for 4½ per cent. after borrowing it at 8 per cent? I consider that Mr. Hall deserves great credit for assisting a man who was distrusted by so many persons, but who justified the confidence placed in him. To refer to the motion before members, I believe that Ministers should travel about the country in order to ascertain what is going on.

Hon. T. Moore: Labour members do so.

Hon. Sir EDWARD WITTENOOM: Having had some Ministerial experience, I know that, as a rule, the travelling allowances paid—it used to be 25s. a day; I do not know what rate is paid in these days—is not too much in view of what Ministers have to do. Whenever a Minister of the Crown goes, he has to meet people and, to say the least of it, he has to be friendly. By the time he gets back to his car, there is very little of his 25s. left.

Hon. G. W. Miles: That applies to some of them.

Hon. Sir EDWARD WITTENOOM: When I was Agent General in London, I know that I did not return with much of my allowance. As for Ministers travelling about, I hold that the Premier, especially when he is also the Treasurer, should not leave the city very often. He should be available and should be able to decide matters at once. He should be almost continually in his office, and therefore always accessible. How would a business like Foy & Gibson's get on if the chief manager were away half his time?

Hon. C. B. Williams: He has just been away around the world.

Hon. G. W. Miles: And the firm has a record of his expenses.

Hon. SIR EDWARD WITTENOOM: The Premier and Treasurer is the supreme manager of the State and should be there to say yes or no on the spot, instead of inquirers having to go to a deputy who, while he may know the business, cannot give a definite answer, and has to content himself with the announcement that the Premier will be back on Monday. The Premier should be there to answer questions and decide upon business, but as to other Ministers going about, I think it does a great deal of good. The motion before us is a matter of taste.

Hon. E. H. Gray: Of bad taste.

Hon. SIR EDWARD WITTENOOM: It is a question for whoever is the judge of taste. I shall be pleased to hear any information the Chief Secretary may have to give us. I do not think Mr. Hall is to blame for having brought forward the motion, although perhaps his reference to a Minister in another place was no more justified than was the sarcastic reply given by the Chief Secretary.

**HON. A. THOMSON** (South-East) [6.2]: On the lines suggested by Mr. Holmes, I move an amendment—

That all words after "the," in line 3 of paragraph (i), be struck out, and the following inserted in lieu:—"last three years the Collier Government, and the three years the Mitchell Government, were in office."

I regret the attack made upon Mr. Hall, for I realise the peculiar position he was in. A section of his constituents were asking for certain information and, in effect, he was charged with being not game to ask the question in the House. When he did ask the question, the information was refused, or he was told it was not available. Then, in accordance with the Standing Orders, he submitted it in the form of the motion before us. I deplore very much the attack Mr. Hall made on a Minister in another place, and probably nobody regrets it more than the hon. member himself. Also I regret the contribution to the debate made by the Chief Secretary, although it was a masterpiece of satire and ridicule. There is nothing more hurtful to a man in a public position than to be held up to ridicule, which is a far more effective weapon than a bald statement in reply. As I say, I was very sorry the Minister should have replied as he did. Then we had Mr. T. Moore bringing in a matter entirely outside the scope of the motion. I

was astonished that Mr. Moore should have brought in what was purely a personal matter.

Hon. T. Moore: It was to show the character of the man who made the charge against the Minister for Lands.

Hon. A. THOMSON: It is not usual for Mr. Moore to adopt the attitude he did on this occasion. I do not condone Mr. Hall's attack on a Minister in another place, any more than I condone the attack made by Mr. Moore upon Mr. Hall. It would be deplorable if a Minister were not able to go to his own farm during the week-end, but there was no justification whatever for Mr. Moore's bringing in a matter entirely foreign to the motion. All members of Parliament are frequently approached by those of their constituents who may be in financial difficulties. Quite often it is a request to back a constituent at the bank. I have had men come to me with most ridiculous proposals.

Hon. T. Moore: To which you have not acceded.

Hon. A. THOMSON: No, I did not do as Mr. Hall did. Mr. Hall materially helped his constituent, and for that he has been held up to contempt in this House. On the figures Mr. Hall has shown me relating to the transaction, I say Mr. Hall acted most generously to the man whom he assisted. It is in large measure owing to Mr. Hall's assistance that that man is still on his property. Also the documents I have seen definitely prove that while £1,725 was owing to Mr. Hall by the farmer, Mr. Hall accepted £1,325 in full payment; in other words, Mr. Hall agreed to write off £400. Yet Mr. Moore would have us believe that Mr. Hall acted as a usurer, taking advantage of a poor unfortunate farmer. I say that, so far from being reviled, Mr. Hall should be commended for his action. What I object to is the fact that an attack was made upon Mr. Hall and the case was misrepresented.

Hon. T. Moore: By Mr. Hall, yes.

Hon. A. THOMSON: No, not by Mr. Hall. The public are only too willing to believe ill of a public man, and misrepresentation travels so fast that it cannot be overtaken. So I regret that Mr. Moore should have held up Mr. Hall to contempt in the view of the public.

Hon. J. J. Holmes: And it had nothing to do with the case.

Hon. A. THOMSON: Nothing whatever. I have great sympathy with Mr. Hall in his

desire to obtain the information asked for. Ministers of the Crown who go out into the country during week-ends visiting their constituents are only doing their duty and therefore are fully entitled to travel in comfort. Frequently Ministers give up their week-ends to country trips when they would much prefer to stay at home with their wives and families. I do not object to a Minister travelling in comfort while he does it in the interests of the people, nor do I think Mr. Hall would object either; but in view of the fact that the hon. member will soon have to face an election I think he had no other course open to him than to submit the question he did, for had he not done so he would have been held up to ridicule by those antagonistic to him. Members, I am ready to believe, have no desire to embarrass the Government, but since we are supposed to be the custodians of the public purse we should be given the information asked for. I am sure it would open the eyes of the public. Let me explain: Some of my electors were up here during the week, and I was amazed at their asking me which was my particular room in Parliament House. Many people are under the impression that members have their meals free, that the bar is free, and that each member has a cosy little room somewhere in Parliament House. Therefore I think the information asked for by the motion would serve to disabuse the public mind of many misconceptions regarding members and Ministers. My amendment, if agreed to, will give us the figures for the last three years of the previous Collier Government, and the three years of the Mitchell Government.

Hon. T. Moore: Three years before the depression, and three years during the depression.

*Sitting suspended from 6.15 to 7.30 p.m.*

Hon. A. THOMSON: Before tea, when I was speaking, Mr. T. Moore made an interjection concerning the previous occupants of the Treasury bench.

Hon. T. Moore: They did some travelling, too.

Hon. A. THOMSON: I approved of that travelling. I have received from Labour Ministers, when they have come to my electorate, every courtesy and consideration. I am speaking in no way antagonistic to any Minister. During the tea adjournment, Mr.

Hall showed me some figures relative to the statement made by Mr. T. Moore. From what I know of him I feel sure that Mr. Moore will offer an apology when he has perused that statement.

Hon. T. Moore: I will tell the truth.

Hon. A. THOMSON: I am glad to hear that. If the hon. member does, I am sure an apology will be due from him to Mr. Hall.

Hon. T. Moore: That is absolutely unnecessary.

Hon. A. THOMSON: In view of the statement that has been made, an apology should be tendered to the hon. member. It was alleged that Mr. Hall had charged a certain farmer 12½ per cent. interest on a loan. One would assume from the statement that this was a straight-out loan to the farmer. Mr. Hall has submitted to me voluminous accounts covering the period from 1927 to 1932. These show that Mr. Hall was acting more generously to the farmer than is seen in the case of clients of the Industries Assistance Board. The hon. member paid for the super., clearing, dam sinking, dentist's expenses, land rents, road board rates, the grocers and storekeeper's bills, the butcher's bill, and even the newspaper account. Mr. Hall has been held up as one who is not fit to associate with hon. members on the ground that he has been a usurer. The facts are that he advanced to the farmer in question £3,108, obtained from his bank, which charged him interest on the money. The total interest charged by the hon. member to the farmer, Mr. Maloney, was £777 11s. 2d. The bank charge amounted to £382 15s. 8d. The amount therefore charged by Mr. Hall to Mr. Maloney for the various advances made between 1927 and 1930, was £394 15s. 6d. That is the amount of interest he was entitled to charge under the agreement prepared by the solicitor in Geraldton, who induced Mr. Hall to render this financial assistance. I would not have advanced the various amounts Mr. Hall advanced in a case of this sort, and wet-nursed this farmer as he did. If a select committee were to inquire into the relative positions of the two persons, and into the question of who was the aggressor, I feel sure they would find that Mr. Hall had been more than generous in his treatment of the individual in question. From 6th April 1927, to 20th August, 1932, Mr. Hall was entitled, in accordance with his agreement,

to charge for the advances he had made £394 15s. 6d., because the bank charge was £382 15s. 8d. The actual amount Mr. Hall received during that period, for all his worry and trouble was only £94 15s. 6d. To clear himself and get out of a transaction which was causing him a great deal of worry and trouble, he wrote off £300.

Hon. T. Moore: After the city solicitors had got busy and probed into the matter.

Hon. A. THOMSON: I have a letter here which was received by Mr. Hall from his solicitor. It says—

Re Maloney: We have received a letter from Messrs. Dwyer, Durnack, & Dunphy confirming the arrangement that a meeting between yourself and Mr. Maloney should take place on Tuesday, the 11th proximo. They suggest that the meeting should be entirely private between you and Mr. Maloney, and that neither party's solicitors should appear. We think this is a suitable arrangement, and we shall be glad if you will let us know whether it will be convenient for you to meet Mr. Maloney at 2 p.m. on the 11th proximo in order that I may inform his solicitors.

Thus the city solicitors who, we are told, compelled the hon. member to disgorge £300, if that is the correct term to use—

Hon. T. Moore: It is the correct term.

Hon. A. THOMSON: It is not the correct term. I am sorry the hon. member is persisting in an attitude which is so grossly unfair, and so foreign to what I have always found in him in other directions. This blood-sucking, blood-thirsty legislator has done things which neither Mr. Moore nor many other members of the House would have done to carry on this farmer, who is on his farm to-day by virtue of the assistance given to him by the hon. member!

Hon. T. Moore: He is on his farm because he was rescued from the hands of the hon. member.

The PRESIDENT: Order!

Hon. A. THOMSON: I am sorry for that interjection, especially in view of the letters I have here, the statement I have read from Mr. Hall's solicitors, and in view of the figures I have, which can be verified by Mr. Moore if he will only be fair enough to inspect them. In return for all the worry and trouble occasioned to him, Mr. Hall has received from the farmer over a period of five years only £94 15s. 6d. I regret the debate has taken this trend. When I had the honour to become a member of this House, I thought I was going amongst men who did not descend to tactics that are some-

times adopted in another place, namely, by means of side-issues to bring in something that is foreign to the subject matter of the debate, and may possibly hold up to ridicule some hon. member.

Hon. T. Moore: Show him in his true colours!

Hon. A. THOMSON: This may sometimes be done with the intention to injure a particular member when he is about to face his electors. It seems to me that the attack which has been made upon Mr. Hall has been made with an eye to the elections that will take place next May, more for that reason than any other, in the hope that a certain amount of the mud that has been thrown will stick to him. Mud sometimes does stick. I still hope that Mr. Moore will do as I have done and examine these papers, so that he may have a knowledge of the other side of the question. I do not say he deliberately went out of his way to misrepresent the facts of the case.

Hon. T. Moore: I know all the facts.

Hon. A. THOMSON: The individual in question has derived much benefit from what Mr. Hall did for him. I can only think that Mr. Moore has been misled by that individual, and hope yet he will be fair to his colleague in this House by reading the other side and taking an impartial view. I am quite willing to hear the other man's side.

Hon. T. Moore: You ought to.

Hon. A. THOMSON: But this is not the place to deal with it. I take exception to Mr. Moore's attitude on this question, for I do not think his attitude has added to the dignity of the Council. I commend my amendment to the serious consideration of the House.

The PRESIDENT: I take it the hon. member wants to move an amendment as follows—

To strike out of the first paragraph of the motion all the words after "the," in line 3, and substitute the words "last three years of the Collier Government and the three years the Mitchell Government were in office."

Hon. A. THOMSON: That is so, Mr. President.

HON. G. W. MILES (North—on amendment) [7.45]: I congratulate Mr. Hall on submitting the motion, though I do not approve of his attack on Ministers. Personally I think the debate that took place

a week or two ago when we ventilated the matter we are discussing again at the present time, was a disgrace to the House. Parliament and the people are entitled to have the information that is sought. On other discussions I have suggested that two or three business men should be appointed to re-organise the Government departments. If businessmen had anything to do with a subject such as that under discussion, they would have adopted different methods of keeping an account of Ministerial expenses. I am not speaking about the present or any other Government, the members of which hold office as representatives of the taxpayers, and are handling not their own money but that of the people. While I agree that it is the duty of Ministers to get around the country as much as possible, it is also their duty to set an example to the rest of the community in difficult times such as those we are passing through. Railway men have said to me that while they have been rationed in their work, their wages reduced and others have been retrenched, Ministers were not economising, that they were travelling round as usual in the Ministerial coaches instead of using reserved compartments on the trains. It is a duty Ministers owe to the people to set an example in the direction of economy. They represent the people, and it is the people's money they are using. The Chief Secretary's statement that it is impossible to get this information is all balderdash. If it is not possible to get it, it is about time that the suggestion that I and others have made that two or three business men should be appointed to re-organise the whole of the system was given effect. I have no axe to grind, nor any party to protect. Perhaps there was a good deal more travelling done during the period of prosperity. But why should there be all this hush? Why are not the people entitled to this information? Surely we should know what the Ministers' movements about the State are costing the country. If the information were published it might be an inducement to Ministers to economise more than they have done in the past. I support the motion as amended, and hope the information will be supplied.

On motion by Hon. E. H. H. Hall, debate adjourned.

## MOTION—RAILWAYS, CAPITAL ACCOUNT.

### *To Inquire by Select Committee*

Debate resumed from the 6th September on the following motion by Hon. A. Thomson—

That a select committee be appointed to inquire into and report upon the capital cost of the Western Australian Government railways with a view to reducing the amount upon which the Commissioner of Railways is expected to find interest and running costs, and to make such recommendations as the committee may deem desirable to co-ordinate the different transport services and enable the railways to meet the competition from motor and other transport.

**THE HONORARY MINISTER** (Hon. W. H. Kitson—West) [7.50]: On previous occasions when motions of a similar nature to this have been submitted, the position of the railways has been placed before members, to show that any proposal for a substantial reduction of the capital account of the railways in order that railway charges might be reduced, is economically unsound. That was the view of the previous Government and there is no change in that position to-day. Any action on the lines suggested can only have the effect of subsidising the users of railway services at the expense of the general taxpayer, as any reduction of the capital account of the railways would not relieve the State of the obligation to pay interest on the amount reduced. There is undoubtedly in the railway capital account a proportion of the asset which is out of use or of little value, but such a position is inseparable from any large undertaking. It must also be remembered that working expenses provide the wherewithal to keep the asset up to its original standard. That, sometimes, is overlooked. There is a certain value lost in such asset by wear and tear, and such loss is required to be made good in addition to current maintenance, so that the full value still remains.

Hon. A. Thomson: Not necessarily so.

**THE HONORARY MINISTER**: It would be found so speaking generally in regard to our railway services.

Hon. A. Thomson: What about belated repairs?

**THE HONORARY MINISTER**: I will deal with that point too. In the absence of a depreciation or renewals fund this is necessary. During the years 1922 to 1933, the



sum of £547,600 has been actually provided from working expenses in relaying of lines and this policy is being continued. Provision is to be made in the Estimates for a further £53,000 for this work. In respect to rolling stock, the sum of £230,000 was provided from working expenses from 1901 to 1908 for the replacement of locomotives and the sum of £58,000 was also written off against working expenses on account of rolling stock that was scrapped. Quite a large number of trucks have had their carrying capacity increased and other improvements made at a cost of £117,000 apart altogether from ordinary maintenance, although charged to working expenses. Extinguishment of the capital asset other than lines such as Lake Clifton and White Hope, the abandoned portion of the capital of which was written out of railway accounts under the authority of Parliament, have been made good from working expenses. It must also be remembered that many miles of railway were built at a cost to the State far below the present day cost. The object of the hon. member is to enable the Commissioner to reduce railway charges particularly to the primary producer, and in this he is strongly supported by Mr. Wittenoom who said, "In a nutshell, Mr. Thomson's motion means that the primary producers are shouldering too great a proportion of the interest on capital involved in our railway system, which must be written down. He is quite right." From this point of view the report of the Commissioner for Railways for the year ended June 30th last makes very interesting reading. On page 2 of the report the capital account is shown as £24,937,332 and the total interest charged for the year was £996,233. In the same period, the net revenue or balance of earnings over working expenses was £820,552. This of course was inadequate to meet the interest bill of £996,233 and therefore the general taxpayer had to find £175,681 to adjust the interest bill. The loss for the year was therefore £175,681 as against a loss of £190,000 in the previous year. In other words there was an improvement last year of £14,388, notwithstanding an increased interest bill of £7,060. On page 3 of the Commissioner's report, the average rate of interest for the year is stated at 4.1006 per cent. as against 4.1145 per cent. for the year 1931-32. On page 5 of the report it is stated that the percentage return of net revenue to capital was 3.29, the highest since 1928. and I agree with the

Commissioner who says that, "In view of the stressful times which all railway systems in the world are experiencing, these results cannot be considered as unsatisfactory."

Hon. A. Thomson: The Midland Railway showed a profit and paid a dividend.

The HONORARY MINISTER: If the hon. member will look into the figures, he will admit that the returns of the Government railways compare well with those of the Midland Railway, that is, from the point of view of actual railway earnings.

Hon. T. Moore: The Midland Railway Company has less indebtedness.

The HONORARY MINISTER: We therefore find from the report that the users of the railways are not meeting in full the interest charges involved. A simple calculation shows that the operation of the railways last year did not meet interest on approximately £4,392,000 of capital or about 17 per cent. of the total capital. How then can it be said that any section of the community is shouldering too great a proportion of the interest on capital involved. On the experience of last year, it would be necessary to reduce the capital account by £4,392,000 to just make ends meet, but to accomplish what Mr. Thomson desires, it would be necessary to go further. Assuming that the capital was reduced by a third, the saving in interest would be £332,000, and after deducting the loss of last year's operations of £176,000, it would leave £156,000 for reduction in freights equal to 5.32 per cent. of the earnings of last year. and if a depreciation fund is also to be created as suggested by Mr. Thomson the amount available would be reduced still further. So that if the capital was reduced by 33½ per cent. the relief in freights would be infinitesimal. As regards all losses being made good by the primary producer, the return from which the hon. member quoted is worthy of deep thought. Take for example, the freight on fertiliser, £62,000, which Mr. Thomson stated returned the railways £662,000 in wheat freights. Admittedly they are big figures, but they are only a portion of the picture, and it is well to consider all the facts. It will be seen that the average return from all traffic per ton mile was 1.49d. and at this rate the railways lost £175,000. It is therefore apparent that traffic carried at less than 1.49d. was not profitable. Now turn to those two items: fer-

tiliser returned only .47d. and wheat 1.01d. per ton mile.

Hon. A. Thomson: That is the only time the railways pay—when they are hauling full loads.

The HONORARY MINISTER: These two commodities represented 56 per cent. of the ton mileage hauled, so it cannot be said that the producer in this State is harshly treated in railway freights. In fact, the rates on wheat and fertiliser are generally lower in Western Australia than in any other State.

Hon. A. Thomson: What about New Zealand?

The HONORARY MINISTER: I think our farmers are treated as well as, if not better than those of New Zealand. On page 9 of the Commissioner's report will be found another very instructive return as follows—

The average receipt per ton mile was 1.49d., and the commodities which returned less than this average represented 68.89 per cent. of the work performed. Had these commodities been called upon to pay the average rate per ton mile, the increased earnings would have amounted to £497,989, made up as follows:—

	£
Local coal—23,725,853 ton miles at .35d. . . . .	37,566
Hay, straw, and chaff—6,630,590 ton miles at .19d. . . . .	5,249
Wheat—157,533,741 ton miles at .48d. . . . .	315,067
Fertiliser—31,736,551 ton miles at 1.02d. . . . .	134,880
Grain—13,937,507 ton miles at .019d. . . . .	5,227
	<hr/> £497,989

From the foregoing it will be seen that the carriage of primary products has a big effect on railway finances.

In view of all the circumstances, the primary producers and more particularly the wheat growers of this State have very little to complain about as regards the freights charged by the Railway Department. Generally speaking the hon. member followed similar lines to those of previous occasions, but raised one or two new points which call for consideration and explanation. When dealing with the question of motor competition with the railways, he quoted correspondence between a carrier and the Commissioner and stated that he quoted the letters in order to show that those motor people were prepared to meet the railways and act as feeders for them. The carrier had put up a proposition

to hire one 5-ton truck and one 8-ton van for his exclusive use between Perth and Katanning, which proposal the Commissioner had turned down.

Hon. A. Thomson: That system is in existence in South Australia and New South Wales.

The HONORARY MINISTER: Mr. Thomson said there was nothing unusual about the scheme, because it was actually operating in New South Wales and the man thought there was an opportunity to follow a similar course here. I assume Mr. Thomson is of the opinion the proposal should have been agreed to, and I therefore propose to give the House a little more information than was supplied by him, together with the viewpoint of the Commissioner.

Hon. J. J. Holmes: Would that man have carried his own goods or anybody's goods?

The HONORARY MINISTER: Anybody's goods.

Hon. A. Thomson: What he intended to do was to cut out carting on the road. He would have delivered the goods to the van and taken delivery of them at the van in Perth.

The HONORARY MINISTER: First of all I must quote the letter which Mr. Thomson stated had been sent to the Commissioner—

Will you kindly consider the matter of hiring me for one year one 5-ton truck and one 8-ton van. I would require them to be hauled from Perth to Katanning twice weekly with the option of loading both ways. Loading and unloading these trucks to be done by myself or employees, and all responsibility taken by me. I shall esteem it a favour if you will kindly advise me if you are prepared to consider this matter and let me know at your earliest convenience the charge per annum. I am prepared to pay £1,500 for the above consideration.

The Commissioner replied to the carrier in the terms quoted by Mr. Thomson. I have the following statement from the Commissioner:—

The proposal made by one of the hon. member's constituents to permit him to hire two wagons to be hauled between Perth and Katanning could not be agreed to for the following reasons:—

(a) The goods which would be entered for would be those on which the department obtain their best freights, viz., "C," 1st, 2nd, and 3rd classes.

(b) The Railway Department employ certain staff who load and unload and give delivery of these goods. If agreed to, it would

certainly mean the staff would have to be reduced at Katanning.

(c) If granted to one town, it certainly would have to have general application, and would mean a general reduction in staff throughout the system all for the benefit of one person in each town.

(d) By granting the hiring of trucks, which would have to be at reduced charges to ensure the applicant making a profit, it would reduce the railway earnings considerably and, as stated previously, only the paying lines would come in the ambit of the hirer. This would of necessity mean that the rates on the non-paying commodities would have to be increased. In view of the low prices which are being experienced by the primary producers, it does not seem reasonable that to benefit a few, these people should be penalised to grant such benefit.

(e) Railway rates are framed on the basis of what the particular commodity can reasonably pay, which enables low freights on primary products and other lines for which the Commissioner of Railways, as a common carrier, is bound to provide transportation.

(f) In fine, the granting of the concession asked for would only mean licensing certain persons to compete in the carriage of the best portion of railway traffic in a similar manner to which the motors are now doing, and at the same time providing them with facilities to do it. In no way would it alleviate the present vexed position of competition against the railways.

The Commissioner added—

It may be mentioned that the letter makes no mention of £1,500 per annum, nor that the service be twice weekly, as stated in the letter appearing in "Hansard."

Hon. A. Thomson: I am sorry the letter was not correct. I merely quoted from the letter submitted to me.

The HONORARY MINISTER: My information is entirely different from Mr. Thomson's. I caused a specific wire to be sent to the New South Wales Railway Department, as follows—

Reply immediately by wire if your Commissioner has ever agreed to his goods vehicles being hired to member of public or carrier for purpose of conveying goods point to point. If so will appreciate basis of charges.

This is the reply I received—

In reference to your wire re hire of goods vehicles. It is not the practice to hire vehicles carriage general goods this State.

Hon. A. Thomson: The New South Wales wire says it is not the practice to do that. It does not say that it is not done. I read in the Press somewhere that it was done.

Hon. J. J. Holmes: In this country a special train is run if the consignor supplies goods in sufficient quantity.

The HONORARY MINISTER: If there has been an isolated case where it has occurred in New South Wales, as suggested by Mr. Thomson, we know nothing of it here; and certainly it is not in accord with general railway practice. In view of the information from New South Wales, it is not surprising that our Commissioner should state he was not prepared to consider anything of the kind. When referring to the estimated cost of the alterations to the Perth-Fremantle highway, Mr. Thomson made a comparison between the receipts from motor traffic fees and railway revenue. The estimated cost of widening and improvements to certain sections of this highway is approximately £20,000 per mile, but apparently Mr. Thomson is not concerned for the reason that the money will be provided from the 22½ per cent. that is deducted from the traffic fees that are collected by the Commissioner of Police within the metropolitan area. That money can only be used for works which individual municipalities or road boards could not be expected to finance from their own funds. Mr. Thomson, when referring to the license fees collected from the owners of motor vehicles, must know that the fees so collected outside of the metropolitan area are retained by the local authorities and used generally for the maintenance of roads, and that, in addition, that source of income is supplemented because legislation provides that the money collected from the owners of motor trucks using main roads is to be expended upon maintenance of those main roads. Further, the money provided by the Federal Government can now be used not only for construction and improvement, but also for maintenance, of main and arterial roads. Mr. Thomson then makes a percentage calculation as between the amount collected by local authorities throughout the State, including the Commissioner of Police, in one year and the total amount that has been expended on main roads. He describes the result as being a return to the State of 13.6 per cent. as compared with 3.29 per cent. afforded by the railways. No such comparison can logically be made, because the 3.29 per cent. returned by the railways is after provision has been made by the Treasury for the maintenance and upkeep of the railway tracks,

rolling stock etc.; whereas the fees collected from motorists are used by the local authorities for maintenance purposes only and there can therefore be no "return to the State" as mentioned by Mr. Thomson. The hon. member's calculation is not fair, because no matter where the money comes from, it is all spent on the road, and thus there would not be any monetary return to the State Government. After all said and done, an enormous amount of public capital is invested in our railway system, and whilst the railways were built for the purpose of developing this country, it is hardly fair that when the country has been opened up and roads built for further development work, those roads should be used by certain individuals really at the expense of the railways. That is a phase of the position to which we shall have to give serious consideration, and in the near future too. I am only desirous of pointing out that there is really no comparison such as that suggested by the hon. member. The 3.29 per cent. which is returned by the Railway Department is after all working expenses have been paid, including maintenance of trucks and rolling stock and all that kind of thing in proper working condition to the best of our ability. This also replies generally to Mr. Thomson's other percentage calculations. The hon. member referred to carriers in the country having to pay higher license fees than carriers in the metropolitan area. He instanced the fact that in the metropolitan area carriers who own motor trucks are provided with good roads and are not required to pay special license fees for the right to use, for instance, the Perth-Fremantle-road. In this connection it is a fact that in other States—with the exception of Victoria, where special legislation exists for the co-ordination and, I believe, within reason for the elimination of competitive transport services—provision is made for exemptions. These exemptions apply to city areas and to areas within a radius of every town; and I think that is only reasonable, because it is within such areas that vehicles are used for the purpose of delivering goods; that is, goods sold by retailers to customers. I can understand the difference pointed out by the hon. member between the country and the metropolitan area. These and many other matters relating to the general conflict of interest between the railway service and other means of transport have not been

overlooked by the Government; and I think the hon. member knows, or has seen it published quite recently, that the Government intend to give consideration to that phase of the question.

Hon. A. Thomson: That is why I want a select committee, to have these features submitted to it.

The HONORARY MINISTER: It is the intention of the Government to establish a transport board somewhat on the lines of boards existing already in one and another of the Eastern States. I would suggest to the hon. member that if he is desirous of having a select committee to inquire into matters of this kind, a more appropriate time for the appointment of such a committee would be when that legislation is brought down. In my personal opinion, this question is really one for transport experts.

Hon. A. Thomson: If there is a select committee, your experts would submit their evidence to the committee.

The HONORARY MINISTER: I do seriously suggest that if the hon. member is keen on having a select committee for the purpose of considering questions of this kind, the appropriate time for the select committee to function would be when that legislation comes down.

Hon. A. Thomson: The trouble is we are bound by the legislation submitted to us.

The HONORARY MINISTER: Not necessarily at all. This House is not bound by any legislation submitted to it.

Hon. J. J. Holmes: We were not bound by the assessment Bill, were we?

The HONORARY MINISTER: It seems to me that Mr. Thomson's motion could be divided into three parts. In the first place, it refers to a select committee to be appointed to inquire and report upon the capital cost of the railways. I suggest there is no need for a committee to inquire into that, because all the facts can be obtained from the report of the Commissioner of Railways, which is on the Table of the House. The second part refers to an inquiry regarding the reduction of the amount upon which the Commissioner of Railways is expected to find interest and to provide running costs. In view of the statements I have made this evening, there is no necessity for a select committee to investigate that phase.

Hon. A. Thomson: Many railway men think there is.

The HONORARY MINISTER: It does not matter whether we reduce the capital or not: we still have to find the interest on the whole of the capital involved. The Government are not like a private concern. A private company can write down its capital, and that merely means so much loss to the shareholders in that particular concern. The State cannot do that. We must meet the whole of the interest bill, irrespective of what may be done regarding the capital of the railways themselves.

Hon. A. Thomson: That could apply to other sections of governmental activity.

The HONORARY MINISTER: Quite so. If Mr. Thomson has that principle applied to the railways, then other sections of governmental activities would be entitled to the same consideration.

Hon. A. Thomson: Many have had it.

The HONORARY MINISTER: What position would we reach then? I can mention off-hand many concerns where such a move would have favourable results from an ordinary business point of view. Their capitalisation could be reduced considerably, and the concerns would show much better returns on paper than they do to-day. That would not get away from the fact that the State, as a State, would still have to find the whole of the interest charges involved. It does not matter whether portion of the interest charges are paid by a particular concern or by the State as a whole; the total interest bill must be the same. To the extent that a particular concern was relieved of part of its interest charges, the general taxpayer would be called upon to foot a larger interest bill. Then the third part of the motion refers to recommendations that the committee may deem desirable in order to co-ordinate the different transport services and enable the railways to meet the competition from motor and other means of transport. I have already indicated that, in my opinion, that phase is one for experts to deal with. I have stated that it is the intention of the Government to appoint a transport board to co-ordinate all transport services, and that in the near future legislation to enable that to be done will be introduced. I suggest that that will be an appropriate time for Mr. Thomson to move for the appointment of a select committee to inquire along the lines he suggests, and in the meantime, pending the introduction of that legislation, I must oppose the motion.

HON. E. E. H. HALL (Central) [8.35]: I congratulate the Honorary Minister on his excellent and able resume of the position. I am convinced that many of us as laymen indulge in criticism of the Commissioner of Railways and his staff without a full knowledge of the difficulties that confront the department. While I make that admission, I think the Commissioner of Railways and his staff may also be at fault to some extent. I mention the latter point because of incidents that have come within my own ken. A couple of months ago one matter was brought before my notice. A farmer outside Mullewa found it necessary to obtain a truck of chaff from the Wongan Hills line. At that time, when the truck arrived at Mullewa, heavy rain prevented the farmer from reaching the township, and it was some days before he could make the trip. When he arrived at the station yard to unload the truck, he found that, owing to the delay that had taken place, the Railway Department had levied a charge of £3 against him for demurrage. He asked me to see the Chief Traffic Manager when I returned to the city, with a view to getting the charge waived. I was received very courteously at the Railway Department and the Chief Traffic Manager promised to go into the subject. That was some weeks ago, and I am still awaiting advice about the matter. Even if a reduction of 50 per cent. were agreed to, it would mean a great deal to that man. That is just a small matter, but it is such small things that lead to dissatisfaction, and the committee could investigate that phase, if Mr. Thomson's motion were agreed to. I refer to the latter part of the motion because I do not favour the first part. What would be the attitude of an ordinary business firm in dealing with such a point? I will be supported by those who have had dealings with the Railway Department when I say that the demurrage question is a burning one. Merchants and others complain that that charge is unjust, and they also complain about the arbitrary manner in which the charge is imposed. It would be too much to expect from the railways as they are run now, but I think an ordinary business firm would have dealt with the incident I referred to in a simple way. I often pass through Mullewa and I have noticed that there is a fair sized shed there, with plenty of room. If that truck of chaff had been unloaded into the shed by the ordinary railway staff, and a charge

of 10s. levied against the farmer, what a different feeling would have been created between the department and the farmer. Instead of that, the farmer is dissatisfied because of the charge of £3 that he regards as unjust. The department, of course, say that they are governed by regulations, which must be enforced. Probably a committee of laymen could investigate a matter like that and make suggestions that would provide a remedy. We have heard about business men in this Chamber. I am sure Mr. Holmes will not mind if I mention the fact that many years ago he occupied the position of Commissioner of Railways.

Hon. J. J. Holmes: I was Minister for, and Commissioner of, Railways.

Hon. E. H. H. HALL: Mr. Holmes, with the experience he has had of so many activities in this State, might well be asked to accept a seat on the committee.

Hon. J. J. Holmes: No.

Hon. E. H. H. HALL: Just to show that men who are considered as laymen can teach those who have made a study of their particular science or activity, I will quote from an article in "The Western Trader", which I have kept since 1927. It contains the following paragraph—

New details are discovered by workers at their work, but principles are discovered generally by outsiders. Almost every business has been revolutionised more by outsiders than by the people inside the work. Look at the following examples:—

Whitney, of the cotton gin, was not in a cotton business. He had never seen a cotton field.

Pasteur, who changed medical science, was not a doctor.

Morse, who gave us the telegraph, was a portrait painter. He was not an electrician.

Bell, who gave us the telephone, did not know anything about electricity. He told me that had he been an electrician, he would never have invented the telephone, because he would have thought that telephonic communication was impossible. Bell was a professor of elocution.

Bessemer was not a steel man, and yet he revolutionised the steel business; he knew nothing of steel until he was asked to produce a certain class of cheaper steel. Carnegie, also, knew nothing about steel, yet he made £60,000,000 out of it.

There are many other instances, but I shall not proceed further.

Hon. A. Thomson: That shows it is not always the experts that know.

Hon. E. H. H. HALL: At one time, in the earlier days, Sir Edward Wittenoom became known—

Hon. E. H. Harris: As ten-foot Ned.

Hon. E. H. H. HALL: I was not going to refer to that. Sir Edward joined Lord Forrest's administration in the capacity of Postmaster-General for the State. He heralded his advent by addressing a note to the postal officials throughout the State intimating that energetic officers would be remunerated correspondingly, and that the services of drones would be dispensed with.

Hon. G. W. Miles: It is a pity we have no Ministers of that calibre to-day.

Hon. E. H. H. HALL: They had no appeal board in those days. Ministers were in control and their words were law. When Sir Edward's notification was received, we all sat up and took notice.

Hon. J. J. Holmes: Were you in the department then?

Hon. E. H. H. HALL: Yes, and I survived. Suggestions were called for from officers who thought that they could show where economies could be effected. The trouble is that in the Government service, as in the army, we must realise that officers cannot get beyond their superiors. I know of one young fellow who thought he could show how a saving of £200 could be effected in his office, and he wrote out his suggestions, which he furnished to the postmaster. That official called the young fellow in and asked him what his job was. The youth said he had to receive telegrams. The postmaster asked him if he knew what his (the postmaster's) own job was, and the lad replied that he was the postmaster and had to carry out the postmaster's work. The postmaster replied, "Well, you look after your job and let me look after mine." That is the position that exists to-day. It was my proud experience to appear before one of the biggest Royal Commissions that has sat in Australia. That was in Melbourne and was held to inquire into the defence administration of the Commonwealth during the war. I was on the Quartermaster General's staff, and I am satisfied that if I had stated to that officer that which I gave evidence of before that Commission, I would have been, if not shot at dawn, at least charged with insubordination by the Q.M.G., General Stanley. The three gentlemen who constituted the Royal Commission were laymen.

From the evidence they heard they made recommendations to the Minister for Defence (Senator Pearce) which resulted in Major General Ramaciotti, brother to our Chief "Hansard" Reporter, being appointed Inspector General of Administration throughout the Commonwealth Defence Department. And the appointment of that gentleman with his staff resulted in the showing of economies running into many thousands of pounds. That brings us back to the latter part of Mr. Thomson's motion, in regard to which I think quite a lot of good might come out of the appointment of a select committee to inquire into railway administration. I never have stood for the comparison we frequently hear made between the Government railways and the Midland Company's railway. Surely that is not a fair comparison, for nobody would compare a single-line system such as that of the Midland Railway Company, running through one of the best districts of Western Australia, with a State network of railways such as the Commissioner has to administer. I fail to understand who was responsible for the delay in meeting the severe competition from motor transport with our suburban lines. I have spoken to some of the Commissioner's staff, and they have told me they blamed Parliament—really, I suppose, they meant the Government—that the Commissioner wanted to lower the fares and so meet the competition, but Parliament would not allow it. I am under the impression that members of this Chamber are not quite clear as to where the Commissioner's power ends and the authority of the Government begins. That is another point upon which information might be elicited by the proposed select committee.

Hon. J. J. Holmes: If the Commissioner does not do as he is told, he will not be re-appointed.

Hon. E. H. H. HALL: Perhaps there is something in that; indeed there may be a good deal in it. Why do we pay the Commissioner £2,000 per annum and pride ourselves on having put him beyond the reach of Parliament, to run the railways as they should be run, when such is not the case? The sooner the position is clarified, the better it will be for everybody.

Hon. J. J. Holmes: To give the Commissioner full control, you would have to make his a life appointment.

Hon. E. H. H. HALL: The select committee would be worth while, if only from an educational point of view. I do not know if members have read the splendid report by Professor Hytten of South Australia on this question; it appears in one of the monthly circulars issued by the Bank of New South Wales, and I can commend it to members, for we could not get a more equitable statement of facts as between road and rail transport than that put up by the professor. I am going to refer to the Midland Company's line, but am not going to compare it with the Government system. I was secretary of the Traders' Association of Geraldton, and it was through that association that the port to port rate was brought about. Mr. Poynton put up to the association a proposition known as the port-to-port railway rate. I am advised that it is the cheapest railway rate operating in the world. From the initiation of that system, notwithstanding that there was then a Government subsidised steamer running between Fremantle and Geraldton, the Midland Railway Co. secured the major part of the trade of Geraldton, and from the moment that very cheap rate came into operation, the Midland Railway Company began to show a profit. Remembering all the disadvantages of the Commissioner of Railways, if something on those lines could be obtained I feel sure we should have a better feeling between the department and the public—its customers. During the term of the Mitchell Government it was freely stated by the then Ministers that no fewer than 1,000 men of the Railway Department were dispensed with in 12 months. In a small system like that it seems an incredible number to be dispensed with. If that number of the rank and file could be put off, was there a corresponding reduction in the higher ranks? There may have been, but I am not aware of it. A few officers were retired on the score of having reached the retiring age, and one highly-placed official drawing £1200 a year retired on a pension of £500. But if it was possible to dispense with the services of 1,000 men within 12 months, one of two things must have obtained: either the service was disgracefully overmanned, or the wholesale dismissals were not justified. A select committee would bring out quite a lot of information relating to the Commissioner and some of his highly-placed officials. I will

support the hon. member in the latter part of his motion, but I cannot support the earlier part.

On motion by Hon. G. Fraser, debate adjourned.

*House adjourned at 8.55 p.m.*

## Legislative Assembly,

*Wednesday, 13th September, 1933.*

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

### QUESTION — UNIVERSITY OF WESTERN AUSTRALIA.

Mr. LAMBERT asked the Premier: 1, Will he endeavour to obtain, before the Estimates are discussed, the balance sheet of the University of Western Australia for the year 1931-32? 2, A list of the professors and the emoluments of all kinds drawn by each professor per annum? 3, The names of the professors and the leave granted to each professor during the past two years? 4, The number of students and the subjects studied by them?

The MINISTER FOR WORKS (for the Premier) replied: 1 to 4, Yes.

### QUESTIONS (2) — FREMANTLE TRAFFIC BRIDGE.

Mr. SLEEMAN asked the Minister for Works: Do the Government intend to proceed with the building of a new bridge to take the place of the old, obsolete, and unsafe structure called a traffic bridge at North Fremantle?

The MINISTER FOR WORKS replied: The matter is receiving consideration.

Mr. TONKIN asked the Minister for Works: 1, Do the Government realise the necessity for constructing a new traffic bridge of modern design to replace the antiquated structure at North Fremantle? 2, If so, will the Government list this project among the most urgent works for early commencement?

The MINISTER FOR WORKS replied: 1 Yes. 2, The matter is under consideration.

### QUESTION—IRWIN COAL DEPOSITS.

Mr. PATRICK asked the Premier: 1, Has he noted that portion of the Royal Commissioner's report on coal referring to the economic importance of developing the Irwin coal deposits? 2, Does he intend to act on Dr. Herman's suggestions for ascertaining the value of those deposits?

The MINISTER FOR WORKS (for the Premier) replied: 1, Yes. 2, The matter will receive the consideration of the Government.

### QUESTION—RETURNED SOLDIERS, PREFERENCE.

Mr. SEWARD asked the Premier: In view of the fact that in the "West Australian" of the 26th August the Minister for Employment was reported to have stated that preference would not be given to returned soldiers by the Government, while in another column of the same issue the Minister for Agriculture was reported to have said that former Parliaments had given preference to returned soldiers, and there was nothing to stop that promise from being maintained, will he state what is the policy of the Government on the question?

The MINISTER FOR WORKS (for the Premier) replied: There will be no alteration in the policy of the Government from that applied when previously in office on the question of preference to returned soldiers. A great preponderance of the returned soldiers are members of unions, and the Government's policy is preference to unionists, which it is not anticipated will work to the detriment of returned men.