

On motion by Mr. Moloney, debate adjourned.

BILL—TENANTS, PURCHASERS, AND MORTGAGORS' RELIEF ACT AMENDMENT.

Council's Amendments.

Schedule of two amendments made by the Council now considered.

In Committee.

Mr. Hegney in the Chair; the Minister for Employment in charge of the Bill.

No. 1. Clause 2.—Delete this clause:

The MINISTER FOR EMPLOYMENT: Clause 2 refers to Section 24 of the principal Act, which section permits contracting out. The acceptance of the Council's amendment would mean that the Act would remain in operation with Section 24 intact, enabling people to contract out of the operation of the measure. I previously explained the difficulty of administering the Act because of the existence of Section 24, which rendered the measure largely inoperative. Many house agents took the opportunity to force people to contract themselves outside the operation of the Act before they would allow them to go into a house. The Act applies only to persons who by reason of unemployment are unable to pay rent. Such persons have thus in many cases been deprived of the benefit of the Act. If we do not agree to the Council's amendment, the measure will not be re-enacted even with a modified incidence. Therefore, though with reluctance, I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 2. Title.—Delete the words "twenty-four and":

The MINISTER FOR EMPLOYMENT: This second amendment is consequential on the first, to which we have agreed. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

Resolutions reported, the report adopted, and a message accordingly transmitted to the Council.

House adjourned at 9.41 p.m.

Legislative Assembly,

Thursday, 19th October, 1933.

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

QUESTION—TOXIC-PARALYSIS.

Mr. HAWKE asked the Premier: 1, Have any decisions been made recently regarding the campaign to be carried on against the toxic-paralysis menace? 2, If so, what is the nature of the decisions made?

The PREMIER replied: 1, Yes. 2, The decisions are as follow:—(a) To carry out the advisory or extension of field work amongst farmers. In this connection the Chief Veterinary Officer proposes to conduct a very extensive programme amongst farmers in order to advise them as to the best means of preventing the losses due to toxic-paralysis. An agricultural adviser to assist in this work will take up residence in the district at the end of the month; (b) Laboratory work—Pathological examinations to be carried out by Dr. Bennetts. Dr. Underwood will conduct analyses of representative pastures; (c) Field trials—To be conducted at Avondale—and more particularly on an affected farm in the Meckering district.

BILL—LAND.

Read a third time and transmitted to the Council.

ANNUAL ESTIMATES, 1933-34.

In Committee of Supply.

Debate resumed from the 17th October, on the Treasurer's Financial Statement and on the Annual Estimates; Mr. Sleeman in the Chair.

Vote—Legislative Council, £1,442:

HON. N. KEENAN (Nedands) [4.34]: I have listened with interest, and I am sure other members have listened with interest, too, to the speeches that have been delivered

by those members who have participated so far in the general discussion upon the Estimates. Of course, to some extent, and necessarily so, the speeches have dealt with local matters but, on the whole, the local outlook has been, in every instance, associated in no small degree with consideration for the exigencies of the State generally. The member for Gascoyne (Mr. Wise) has once more referred to some of the crumbs that fall from the table of Dives, for the benefit of those living in the northern parts of the State and has labelled those few crumbs according to his political fancy. I have no intention whatever of attempting to disturb him in so pleasant a task, all the more so because on the major proposition that the people of the North and other distant parts of the State have never received from any Government full consideration of their needs. That is a proposition with which I find myself fully in accord. Nor is the reason for that state of affairs difficult to discover. The outstanding parts must always suffer under the handicap of the effect of environment at the hands of every Parliament ever elected and of every Government ever in power.

The Minister for Justice: Did not Gladstone say that the City of London should not have a member in Parliament at all?

Mr. Latham: That is so.

Hon. N. KEENAN: And it might appropriately be said that the City of Perth should not have a representative in Parliament either. The people of the capital, and those who live within easy reach of the capital, are always at the door. They are insistent all the time that their wants and needs shall be attended to. They tell their tale every day and all day long. On the other hand, dwellers in distant places are seldom heard and are unfortunately oft forgotten. To any extent that it may be possible to redress this balance of inequality of opportunity, the member for Gascoyne will, I hope, always find me a willing and helpful worker. Some of the disadvantages that are suffered by those who live in outer places, particularly in the northern parts of the State, which were mentioned by the member for Gascoyne, must have come, I feel sure, as astonishing facts to many in this Chamber. For instance, I was always under the impression that, in the case of freight that merely passed through Fremantle to be transhipped to some other port in the State,

the Fremantle authorities made a nominal charge only. On the other hand, the member for Gascoyne assured the Committee that in every instance the Fremantle harbour authorities imposed the full harbour impost. It is not merely an injustice, but gross extortion that freight destined for some northern or southern port in the State, which merely passes through Fremantle because it is the main port and is destined for transshipment to another port, should have to bear the full harbour impost, not merely at Fremantle, but at the port of final destination. The obvious cure for that state of affairs is to create a central authority having charge of all the harbours of Western Australia and having one common purse, so that a clearance at any one harbour shall rank, and be as effective, as a clearance in all harbours. Some years ago I had conceived a Bill presenting the general outlines of such a scheme, which was based upon facts and data collected by the present Administration when formerly in office; and I commend to the present Chief Secretary the study of those data and facts. Nor were members of this House, disappointed in their expectations that the member for North-East Fremantle (Mr. Tonkin) would at least submit ideas that were attractive from the point of view of novelty. It is to be regretted that he remains wedded to the old idea that the proper and only course to be pursued is to import nothing except what it is impossible to produce in Western Australia. The member for North-East Fremantle is very outspoken in his advocacy of the intense form of Nationalism that is to-day receiving a very wide measure of support in some parts of the outer world. There are reasons for that support in the portions of the outer world to which I refer, but those reasons are non-existent in Western Australia. France, instead of importing Australian wheat at 2s. 6d. a bushel, in terms of sterling, is, by means of a bounty, encouraging locally grown wheat at a cost of 6s. a bushel. So, too, great efforts are being made to encourage the growth of wheat in Italy, Germany and other parts of Europe, even in the United Kingdom, although it is recognised that wheat so grown must be sold at a price a great deal higher than that at which the grain could be imported. The reasons for that policy are twofold. In the main, it is due to the obsession of fear, of

dread of the failure of supplies of so essential a commodity in the case of an outbreak of that war, which is for ever looming on the horizon. Nor can it be wondered at that this fear should be ever present when we remember the experience of England in the Great War, and the deadly peril confronting her in those days, of her trade routes being severed by enemy action, trade routes over which every day the very life of the people of England depended upon supplies being carried safely. That peril will be very much intensified in the case of any nations involved in future wars, because of the development of the submarine and more particularly the development of aerial forces. Besides the impetus of fear, to some very considerable extent, the development of local production of wheat is attributable to the desire to gain bargaining power in order to be able to say to those who are anxious and desirous to sell their surplus wheat, "Unless you are prepared to accept payment in goods, you will stand excluded from our markets." That has been a strong factor in inducing the nations I am speaking of, to turn their attention, as they have done, so extensively to the development of the growth of wheat. Such is a brief outline of the developments that have already taken place in some parts of the outer world. Once general application is given, in all parts of the world, to the dogmas that commend themselves to the member for North-East Fremantle, there is the end to any chance of future prosperity for Australia and, more particularly, for Western Australia. If all the world were to embrace the idea of importing only what it was not possible to produce locally, utterly regardless of the cost of local production, what would be the position of Western Australia?

Mr. Tonkin: Are you in agreement with the present campaign for the sale of local products?

Hon. N. KEENAN: I will deal with that phase in a moment, if the hon. member will bear with me. I am pointing out to the Committee that the main sources of our national wealth are wool and wheat, and our local requirements in wool are satisfied by less than one per cent. of the total annual clip, and our local requirements of wheat are satisfied by less than ten per cent. of the annual crop. It is not possible to sell a single pound of wool or a bushel of wheat to the people in the Eastern States, for the

simple reason that they too produce more than they require. Unless, therefore, we can find purchasers in the outerworld for 99 per cent. of our wool and 90 per cent. of our wheat, those two industries are absolutely certain to perish; and if they perish, there will be a Fremantle, no Perth, nor indeed any place at all of any worth or consideration in Western Australia. Therefore, development on any world-wide scale of this idea of extreme nationalism spells utter ruin for us. We should be the very last to lend our countenance to any such policy. On the contrary, our voices should always be raised to support those who wish to break down the high tariffs that are to-day strangling civilisation. Within the very narrow limits of producing within Western Australia what the high tariff policy of Australia makes it profitable to produce in Australia; within the limits of producing in Western Australia what we are in just as good a position to produce as are those producing them in the Eastern States, I find myself in full accord with the policy to which the Minister for Industries, following the lead of the previous Government, has given prominence; and I commend him for his efforts in that regard. But that is merely to state that we should at least attempt to palliate the evil of high protective tariffs, so long as they are imposed on us, by every method and power we possess. It has often been said, and truly said, that Western Australia suffers alike the disabilities of high protection and the disabilities of free trade. High protection increases the cost of production of those exports of her primary industries on which Western Australia depends, and estranges the markets in which those products must be sold. On the other hand, free trade leaves all our secondary industries open to the fierce competition of the highly developed secondary industries in the Eastern States. Intense nationalism is a ruinous policy for Australia as a whole, still for Australia as a whole it has some redeeming and compensating features; but for Western Australia, it is merely a ruinous policy without any redeeming feature whatever.

Mr. Tonkin: If you push the local products campaign, it means that you want your own products in preference to imported lines.

Hon. N. KEENAN: I do not quite follow the meaning of the interjection, but I think

I made it clear that so long as a high tariff is enforced by the Commonwealth, and so long as the existing state of affairs must continue, let us at least palliate it to any extent we can by manufacturing here in Western Australia what that high tariff makes it impossible to import, and therefore makes it necessary to manufacture in Australia. A high tariff is meant, to increase the output of secondary industries, and if I were a citizen of Melbourne or of Sydney instead of a citizen of Perth, I might be a high tariffist; but a high tariff is absolutely inimical to the development of Western Australia, and if for no other reason—although there are many other reasons—I am strongly opposed to a high tariff.

Mr. Tonkin: You adopt the religion of the State you were born in.

Hon. N. KEENAN: That does not quite follow, for the hon member might have been born in a Christian country without being a Christian. Now I propose to consider the Treasurer's statement. Let me say at once that no criticism whatever can be made of the details set out in that statement dealing with revenue and expenditure for 1932-33, that is to say, for the year that ended on the 30th June last. In accordance with precedent, almost every matter which could be made a subject of inquiry has been lucidly set forth; nor is the tale told by the figures one without a lesson to be appreciated and to be remembered. The estimated revenue was £8,417,577, and the actual revenue collected was £8,332,153. When it is borne in mind that the financial emergency tax did not realise the figure that was estimated at the time the Estimates were framed, principally because of delay in its incidence, this forecast is wonderfully accurate. On the other hand, the estimated expenditure was £9,181,243, and the actual expenditure was £9,196,234, showing an excess of £15,000, or only one-sixth of 1 per cent. of the estimate, a sum so small as not in any way to impugn the accuracy of the forecast. That result was achieved only by the exercise of rigid economy in every avenue of expenditure, a policy which, however necessary, was not calculated in any way to foster the popularity of the Government that carried it out. If any choice of policy had been open to that Government, the unpopularity which fell on their shoulders might have been well deserved. There are many who preach the gospel that the true way out of the depression is for Governments and in-

dividuals alike to spend freely, whether the money they spend be money they take out of their purse or money which they have borrowed for the occasion. It is said, let us increase the spending power of the community at large, and so enable the products of industry to be purchased and used and not lie rotting in the factories or on the shelves of the store rooms. Like many other doctrines, this doctrine presents a magnificent superficial appeal, but on closer examination it will be found to be based on serious error. Governments, if empowered to do so, can, by borrowing—or, as the member for Claremont, I suppose, would prefer to describe it, by creating credit—bring into existence a state of affairs in which the community at large would stand possessed of a much increased volume of so-called money, and this would, in consequence, bring into existence a large increased spending power. But there is a vital difference, and I ask members to address themselves to the point that there is a vital difference between spending power and purchasing power. I am aware that the member for Northam, who addressed a very thoughtful speech to the Chamber last week, does not, perhaps, agree with that proposition, nor yet with the one I am about to put to the House: that is, that nothing is more certain than that the pursuit of a policy of creating credit or borrowing for the purpose of enabling a larger amount of so-called money to come into circulation, must lead to a rapid increase in retail commodity prices. I propose to deal with the fact that the member for Northam challenged that result, and I propose also to address to him certain reasons to show that the conclusion he arrived at is not an accurate one. The hon. member said that during the last 3½ years or so, a sum, in round figures, of £100,000,000 of short-term loans had been brought into existence in Australia; and he said it had not affected the retail commodity prices. If one examines the facts, it will be perfectly clear that the creation of that inflation—I agree with the hon. member when he described it as inflation—did affect the retail commodity prices. What are the facts? This inflation, over the period during which it was carried on, would amount to £30,000,000 per year. On the other hand, throughout Australia during exactly the same period of time, there were considerably more than 150,000 persons, who had been in work before the depression struck us,

thrown out of work as the result of the depression. That in itself amounts to more than £30,000,000 per annum less spending power. And in addition there was a further decline in spending power represented by £45,000,000 shrinkage in the value of our exports, and also a shrinkage of £30,000,000 in overseas borrowing which, before this time had been in vogue year in and year out, making altogether £75,000,000 decrease in spending power, and therefore a total shrinkage in spending power of £105,000,000. Unless there were some very strong forces acting in a contrary direction, it is absolutely certain that that enormous shrinkage would have brought a colossal collapse in retail prices; it is absolutely certain that a shrinkage of £105,000,000 per annum in Australia would have produced a colossal collapse in commodity prices unless some very strong forces were acting in the contrary direction. The fact that inflation to the extent of less than one-third of this shrinkage maintained nominal prices—at par, in most cases—demonstrates its immense influence on retail commodity prices. Therefore I think it cannot be a proposition of any doubt that if borrowing or creating credit is indulged in as a policy, it is absolutely certain it will lead to a rapid increase in retail commodity prices, and, in effect, in the long run, if such a policy is carried to an extreme limit, the result would be that the community at large would stand possessed of enormous spending power in terms of currency, and of little or no purchasing power in terms of goods or commodities. Now, as in all other human affairs, so too in the case of this great problem, it may well be that the path of true safety and progress towards recreating normal conditions lies in a middle course. A policy of rigid economy, of paring down expenditure to the very bone, cannot but produce a thousand reactions and repercussions and intensify the very evil it sets out to cure. At the very best it only stops the drift towards insolvency and does not constitute any step forward on the path to recovery. That is the view I have always held of the plan, which was devised by a committee of economists and experts and the Under Treasurers of all the States, and which was presented by Mr. Scullin and Mr. Theodore to the financial conference of the Commonwealth and the States in 1931. That plan has suffered under the misnomer of Premiers' Plan, and

it suffers under that misnomer to-day, although all that the Premiers did was to accept it. Nor was there any possible choice about their acceptance. If they had not accepted it, they would have been put in a position of impossibility as regards finance, as Mr. Lang found to his cost and bitter experience. So this State, in common with all other States, accepted the plan, and having accepted it, the late Government, at whatever cost it involved to them, loyally carried it out. I have no doubt that the present Government will do likewise. It may and, in my opinion, must be conceded that the plan saved Australia from bankruptcy, but that in no way relieves the plan from its inherent defect. It was concerned only with economy.

Mr. Hawke: It was only half a plan.

Hon. N. KEENAN: In no way did it tackle the problem of reconstruction. Yet the problem of reconstruction, as much of balanced Budgets, is the problem at our door, and even more so since nothing will lend itself more to bring about normal industrial conditions. It is the end of reconstruction to bring about normal industrial conditions, and to that we should direct our thoughts. That end we should seek to achieve by every effort within our power and with all the energy at our command, and yet not one word is to be found in the Budget statement of any policy to be pursued in order to attain that end.

Member: Because of the Premiers' Plan.

Hon. N. KEENAN: I have no desire to take up the time of the Committee by attempting to elaborate the policy that must be pursued to attain that end, but I may point out that our problem is not merely a local problem. The policy to be adopted involves not merely the reconstruction of normal conditions in Western Australia, or even in Australia as a whole; we must also co-ordinate our efforts with some scheme to bring into existence normal conditions in those parts of the world to which we look for our markets. What use would it be to restore normal conditions in Australia if it ended there? We have to look for markets beyond Australia, and therefore we must co-ordinate any scheme that we embrace for the purpose with the scheme that will produce normal conditions in those places to which we look for our markets.

Mr. Tonkin interjected.

Hon. N. KEENAN: If the hon. member will listen until I have submitted the matter

I desire to place before members, it will be clearer.

Mr. Wise: Would secession help us in that regard?

Hon. N. KEENAN: I do not propose to be diverted into a discussion on secession. I wish to put certain matters before members for their consideration. I have pointed out that normal conditions must be produced, not only in Western Australia, and not only in Australia, but beyond Australia before we reach a position of safety. Therefore we must co-ordinate any scheme we evolve for the purpose in order to arrive at the result. The vital necessity for united action within and without Australia has been and, at the moment, is being dealt with by a small committee in Western Australia of which I happen to be a member. The committee, however, are possessed of no authority or power. They do not even possess any adequate opportunity to educate public opinion. It is essentially the duty of the Government to take the lead in this matter and point out the path we should follow, but that duty has been entirely and absolutely ignored by the present Government. For a moment I desire to revert to a consideration of the Treasurer's statement, and to deal with the Estimates for the present financial year. Again there can be no complaint that the various matters have not been lucidly set forth, but it might well be that some of the estimates of anticipated revenue are unduly optimistic. For instance, there is a modest increase in land tax of £4,037. On what that is based it is difficult to surmise, unless it be that some bad debts are expected to be collected this year. If that is so, I consider the Treasurer is indulging in optimism of a character that will lead him astray. The totalisator duty is expected to show an increase of £2,709. Again it is difficult to surmise on what that estimate is based, unless it be on the reduction of prices charged for admission to some of the racecourses. The Treasurer may possibly anticipate a larger amount of success on that account, but that does not apply by any means to all the racecourses. Nor has it been established to any extent in the case of racecourses that have reduced their charges.

The Premier: It has on the goldfields.

Hon. N. KEENAN: The goldfields are booming; they are the only place that is booming. I can conceive that the Treasurer

possibly intends to institute an intense police drive to put an end to the betting shops, and to force people to resort to the racecourses if they want to bet. I confess that the Australian—and I am an Australian by adoption—does want to bet occasionally. If people wish to exercise their desire in that direction, they should do so through the totalisator.

The Premier: We collect more through fines than through the totalisator.

Hon. N. KEENAN: That is so. The fines inflicted in the police court would also augment the revenue. The Treasurer also anticipates an increase of £3,453 in stamp duties. Stamp duties form a very reliable barometer of business activity, but I know of no signs of such an increased activity in business as would warrant the hope that the stamp duties will increase by that amount this year.

The Premier: Yes, there are signs.

The Minister for Mines: A good deal of revenue will be received from the transfer of mining properties.

Hon. N. KEENAN: I am glad to hear that, but outside the goldfields, there is no reason to believe that any increase will be realised. Next I propose to deal with an expected increase of £8,005 in probate duty. This is simply a gamble on the occurrence of death, and I should like the Treasurer to tell me—

The Premier: We have taken note of the ages of several wealthy men.

Hon. N. KEENAN: I should like the Premier to tell me what citizens he has in his mind's eye who are due for removal elsewhere.

Mr. Latham: If he did, they might consider increasing the insurance policies on their lives.

Hon. N. KEENAN: Unless the gamble comes right, the revenue cannot come right. If those citizens persist in staying here when they should remove themselves to another sphere, the revenue will not receive the benefit expected.

The Premier: We hope for the best or the worst; I do not know which way to put it.

Hon. N. KEENAN: I should say it would be the worst from their point of view, but the best from the Treasurer's point of view. An increase of £12,849 is expected from the item "Territorial," and that is said to be due to the uplift in the timber industry.

I should be very glad to believe that such an uplift was not only expected but had arrived.

The Premier: As a matter of fact it has arrived. It is greater than for the same period of last year.

Hon. N. KEENAN: Next we find the Treasurer anticipates an increase in the revenue from the law courts of £2,805. I can speak authoritatively on this matter, and can say that without question it is opposed to the current volume of business in the courts. There is not enough business at the moment to keep the three judges going. Members are aware that the Bench is short of one judge—there are only three judges instead of four—and there is not enough business to keep the three judges going.

The Minister for Employment: There seems to be a spirit of contentment abroad that renders their services less necessary.

Hon. N. KEENAN: I am dealing with revenue, and with nothing else. I know of no justification for forecasting an increase of revenue from the law courts.

Mr. Hawke: What about retrenching the Chief Justice?

Hon. N. KEENAN: That could not be done except by a resolution of both Houses, and I do not think there would be any justification for it. It may be that the Treasurer anticipates a lot of betting prosecutions, and that substantial fines will be inflicted and paid. From his point of view it is not important to have fines inflicted unless they are paid.

The Premier: Fines of that description are always paid.

Hon. N. KEENAN: As members know, we are celebrating a number of centenaries this year, and maybe the Treasurer is expecting many breaches of the liquor law arising from the celebrations. The fines for such breaches may in some measure add to the income he is hoping to get from the law courts. A large increase is expected from harbours, and that means from one harbour, namely, Fremantle. Possibly if the very strong case made out by the member for Gascoyne bears fruit, it will have a serious effect on this anticipated increase of £20,905. Apart altogether from any consideration of the case made out by the member for Gascoyne, the increase is entirely dependent upon the continued imposition of the war-time surtax, and that imposition is a most

difficult one to defend. I am aware that all Governments in turn have defended it. When for a short period I was in charge of the harbour, I suggested to the Treasurer that the time was ripe to consider some modification of the imposition if not the abandonment of such an anomaly, but the Treasurer was not in a position to consider it. I suppose the same thing applies to-day. Even if that be so, it is no real excuse or defence. It is anomalous that the harbour should be used, not merely for the purpose of receiving enough revenue to maintain the harbour and works in proper order and to provide interest and sinking fund on the capital expenditure, but also to supplement general revenue. It is no novelty; it has been done for years past, but nevertheless it is indefensible.

Mr. Latham: You know that most of the revenue is collected from overseas ships.

Hon. N. KEENAN: It must be remembered that the charges made by the Fremantle harbour are said to be the highest in Australia. That is not a good advertisement for the State. That will not induce capital to come here, or bring new visitors to our port. I know the difficulties of the situation, but I feel that if it were possible one of the best steps for any Government to take would be to abolish the war-time surtax, or at any rate materially reduce it. It is anticipated that the railways will show an increase of £79,000. On what that is based it is difficult to surmise. It may be that legislation is contemplated that will further curtail the competition of the motor lorry and the motor bus with the railways; or it may be that the Government are possessed of the intention to follow the lead of the present Victorian Government, and use loan moneys to cover expenditure which should properly be met out of revenue. Tramways and Electricity Supply are expected to show an increased profit of £14,000. In the case of the tramways, unless the new trolley buses bring about an entirely new view on the part of the public, their popularity may be said to have gone, at any rate wherever they are in competition with the motor bus traffic. In the case of electricity, I admit with great pleasure that there is legitimate ground for anticipating a large expansion in the receipts from that supply. Electric power is being used every day more and more. Unfortunately, notwithstanding the reassuring answer given by the Minister,

there is a profound belief that the electric power supply plant is carrying on without any reserve. There is a great danger, therefore, that if a breakdown takes place, the resultant loss to revenue will be considerable.

Mr. Cross: What did your Government do when they were in power?

Hon. N. KEENAN: I did not happen to be dealing with that particular matter. An increase of £3,000 odd is put down under the head of public batteries. That appears to be more than justified. On the whole I should say it was a very moderate estimate, considering the increased use to which the public battery system is put. On the other hand, there is an anticipated increase in expenditure from revenue of £93,633, as the result of increased interest on loans. It is important to understand that this is not brought about by reason of any increase in the rate of interest, or any increased rate of exchange, but merely on account of our increased indebtedness. It comes from borrowing, as we are this year doing, 3½ million pounds, representing an additional interest payment per annum of £140,000. This £93,633 represents part provision for that interest, allowing for other advantages we have gained by the conversion of loans in London. The last item I wish to comment upon is the anticipated fall in income taxation of £9,000. All taxation is based on the year preceding the year of assessment. The taxation that will be received under the heading of income tax during the present financial year is based on last year's incomes. I venture to say, having the knowledge we all have all last year's income, we are likely to have a shrinkage of far more than the anticipated £9,000. That is all I desire to say on any of the items contained in the Estimates. The statement submitted by the Treasurer is in no way open to criticism as an historical document of what transpired during the financial year 1932-33, or, in other words, with regard to the year that closed on the 30th June last. It is open only to very mild criticism as a prophetic utterance for the year we are at present passing through. Where, however, from end to end of that statement, are we to gather any policy that the Government point out to the citizens of the State it is necessary to follow in order that we may emerge successfully from our present dangers and difficulties?

Hon. W. D. JOHNSON: We get that from the Loan Council.

Hon. N. KEENAN: Is the borrowing, including the anticipated Budget deficit of 3½ millions, held out as likely to lead us to safety and out of our present dangers? Is it suggested there will not be an insistent demand next year to borrow the same amount, if not a larger amount? Is it suggested that with any prospect of safety, we can go on borrowing these huge sums year after year? At the moment the per capita indebtedness of Western Australia is by far the highest of any State in the Commonwealth.

The Premier: That is not comparable at all.

Hon. N. KEENAN: It is only comparable from the point of view of borrowing.

The Premier: No. You cannot compare the per capita indebtedness of this State with that of any other State. It is not fair to do so.

Hon. N. KEENAN: We are adding £9 per head of the population to our per capita debt by the borrowing we are indulging in this year. Unless there is some definite end in view, which it is reasonable to hope we can reach before our resources are exhausted, all this borrowing must drag us down. We must have before us some definite end in view, which, it is reasonable to hope, we shall be able to reach before that time comes: otherwise that expenditure would represent money thrown away.

Mr. Needham: What is the remedy?

Hon. N. KEENAN: I should be obliged if the hon. member would find a remedy for himself.

Mr. Needham: That is no answer.

Hon. N. KEENAN: I must ask members to follow what I believe is a logical statement. It is logical to assume that unless we have some definite end in view, which it is reasonable to hope we can reach before we have exhausted all our resources, this expenditure must be thrown away, and must for an absolute certainty drag us down. What is that end in view? One would expect to find it in the Budget speech of the Premier, set out in plain terms. One would expect to find such a statement as justification for the expenditure it is now proposed to incur, as the only justification for that expenditure. And yet there is not one single hint of it. We are drifting on the tide of circumstance. I am not comparing the

present Government with the previous one in that respect. I said exactly the same of the last Government, and very properly said it.

The Premier: The whole world is drifting on the tide of circumstance.

Hon. N. KEENAN: Not the whole world. Parts of the world are aiming at definite results.

Mr. Needham: The United States of America, for instance.

Hon. N. KEENAN: America has a definite result in view, so has Great Britain, so has France, so has Hitler in Germany, and so, even has Russia. But what have we got? We are simply drifting on the tide of circumstance. It is impossible for one swallow to make a summer.

Mr. Hawke: Summer makes swallows.

Hon. N. KEENAN: This is not a matter for mere badinage. Beyond any question of fact, we are merely drifting, passing along from day to day on the current of time and the tide of circumstance. It therefore becomes almost farcical to attempt to criticise the Budget. Of what use is it to do so, if we are merely going along without any volition on our part, without knowing where we are heading and what point we shall ultimately reach? It may have been noticed that there has been a very small and limited range of discussion on the Budget, and yet every member of the House, even that member who addresses himself most lightly to the matter, knows that despite the favourable outlook from the point of view of the wool market, we are standing on the very verge of a precipice. Unless steps be taken to safeguard at once the wheat-growing industry, it is certain in the immediate future to suffer a terrible collapse. Of all our industries that is the one with which the fortunes of Western Australia are most closely interwoven, so closely that the two are inseparable. If the wheat-growing industry were to suffer a huge and terrible collapse, this State must suffer the same collapse. All the time we are standing still and doing nothing our strength and endurance are ebbing away every day and every hour. As time goes on we are becoming less and less capable of standing the strain. Although I have adumbrated a policy to be pursued as a means of finding some clear road out of our difficulties, I would point out it is not the duty of the Opposition to define a policy.

The Premier: It never has been and never will be.

Hon. N. KEENAN: That is so. It is obvious that, without some direction of affairs, it is absurd to define a policy, and that there would be no possible opportunity of giving any practical effect to one. It may be said in extenuation, not as a defence, of the failure of the Government to give the necessary lead on a matter of importance to the citizens of the State, that with the colossal disproportion that exists between the expenditure which is cast upon the shoulders of all State Governments and the limited area given them in which to raise taxation, the problem is one of extreme difficulty. Whilst the Commonwealth struts on the stage as a generous benefactor and throws some of its surplus here and some of its surplus there, in many instances irrespective of merit, the States at the same time are unquestionably marching straight into bankruptcy. May I point out one illustration of the difference between the so-called generosity of the Commonwealth, arising from its having monopolised the sources of revenue, and the poverty of the States. Some Commonwealth employees are notoriously paid at much higher rates than the State can afford to pay its servants for exactly the same work.

The Premier: All of them.

Hon. N. KEENAN: Yet the reduction made in the remuneration of these Commonwealth employees, due to the enforcement of financial emergency measures, is to be restored, whilst their fellows in the State service are to remain at that poverty point which is all, on the face of it, the State can afford.

Mr. Latham: Is that statement right as to all the Commonwealth employees?

Hon. N. KEENAN: Not all; some of them. The Commonwealth is restoring part of the emergency cut, and the comparison I have made holds good. There must be an end to that state of affairs. It is impossible to imagine that it could continue without some grave disorder in the public service. What is to be the end? Surely the people of this State are entitled to know what the end is to be as their Government conceive it. Here we are with these things facing us, and yet we have no idea, from any declaration that the Government have made public, what is the end which the Government see must come to this state of affairs. The pre-

sent position throughout Australia is this: The total annual income of Australia is computed at £400,000,000, since the depression struck Australia. The Commonwealth and State Governments require nearly £200,000,000, or almost one-half of the total income, to meet their requirements. Hon. members may be interested to know from what source I obtained those figures. In February, 1931, the Loan Council appointed a committee for the purpose of inquiring into the annual expenditure of the Commonwealth and all the States which had to be met out of revenue. The committee reported in 1931 to the Loan Council. That report showed the Commonwealth figures of expenditure which had to be met out of revenue at 67.3 million pounds, and the total figure for all the States at 128.2 million pounds, making a grand total of 195.5 million pounds. To that has to be added a million every year for increased interest on the 30 millions which are added every year to the Australian debt. Thus we arrive at a figure of £199,000,000 required to meet the expenditure of the Commonwealth and the States which should be defrayed out of revenue.

The Premier: We are not spending 30 millions a year now.

Hon. N. KEENAN: I shall explain that in a moment. The grand total, as I have stated, is very nearly half of Australia's entire wealth production of £400,000,000 a year. To that colossal burden has to be added the further burden of local rates and taxes. If out of every pound the average Australian citizen earns, the Commonwealth and the State Governments took all that is necessary to pay all their requirements out of revenue, it is doubtful whether he would have 8s. of every pound he earns left in his pocket. He has had a good deal more left, I confess, but only because Governments do not take what it is necessary for them to take to pay out of revenue for so much of their expenditure as should be paid out of revenue, only because Governments make up the difference by deficits and by loans. And so it is that in very truth all of us are living on deficits or loans. Such a state of affairs cannot possibly continue indefinitely. There must be an end some day or other. And what is the end? What end do the Government hold out to the people of Western Australia is to result from these facts? That is the all-important question which the

people of the State want answered. They do not want to know what members of the Opposition think. They want to know what those whom they have elected as their leaders think. They want to know what those leaders think they are leading them to achieve. Yet we drift all the time, hoping that we shall escape perdition. We have no plan to escape perdition. We merely sit here and hope that by some means or other we shall escape perdition. And so it is. Although there is a Government in power, there is no course set to steer the ship of State along.

The Premier: The ship of State is a Commonwealth ship, not a State ship.

Hon. N. KEENAN: There is no one at the helm. No one has even the wildest notion where we are drifting.

The Premier: It is a Commonwealth ship.

Hon. N. KEENAN: It has often been said that it is the special privilege of the British race to blunder through everything. That is supposed to be a special dispensation of Providence in regard to the Anglo-Saxon plus, of course, the Irish race.

The Premier: And plus the Scotch.

Hon. N. KEENAN: It is supposed to be a dispensation of Providence that they may blunder as they will and still, somehow, get through. But there is no flattering hope that that belief is warranted to-day. Only too well do I wish that it were warranted. No one wishes more than I do that in spite of all our errors and blunders we should be certain to get through; but not for a moment do I think I would be warranted, or any hon. member would be warranted, in cherishing that hope. We stand possessed of no desire whatever except to serve this State. We stand possessed of no desire except to say that which is pleasant to say if it be possible to say it honestly. It would be a far more pleasant task to paint this Budget as what is called a recovery Budget, or something of that kind; but it would be absolutely and entirely a false description. We would, therefore, be wanting in our duty to the people of this State and to the members of this House if we did not lay before them the facts as they appear clear to us, and if we did not, within the measure of our ability and our power, give warning of the dangers that are ahead and are coming closer and closer, and give warning that the time which is granted to us to adopt remedial measures is shortening every hour.

HON. W. D. JOHNSON (Guildford-Midland) [5.40]: I desire to offer a few comments and personal opinions on the matters of State finance which are embraced in the Budget discussion. Before I sit down I shall have expressed agreement with the previous speaker in regard to some matters. Like him, I wish to express my personal views as to what is likely to happen as the result of the general drift of finance in Western Australia and elsewhere. I feel that it is no use for members in these times to call upon the Government to set a policy and steer a course. The responsibility, especially as we are fresh from our constituents, is upon all of us to try to influence the Government to do those things which we told our constituents are desirable for economic reconstruction. In my opinion, it is no use to call upon Governments to do things without expressing one's views as to what should be done. I took an enthusiastic interest in the last general election. Before the election started, it was perfectly obvious that there was to be a change of Government, that the people had tired of the administration of the previous Government and were looking forward to a new Government with new ideas and a new policy. As far as my constituency was concerned, I entered into the election with a great deal of enthusiasm for what I thought were measures of reform. I declared that the new Parliament would be a reform Parliament, that it would be a Parliament which would tackle the situation in such a way as to make things better within our State from an economic point of view. Hon. members have known me long enough to be aware that that which I preach in my electorate I try to practice in this Chamber. In point of fact, the constituency which I represent is a most exacting constituency in that regard. One has to proclaim one's ideas definitely, and then live up to them here, if one is to have political peace so far as my constituency is concerned. Naturally, one cannot begin a discussion of the Budget without referring, as member after member has referred, to economic conditions in Australia, and the effect of the administration of other parts of Australia upon the affairs of this State. In reviewing those matters I must take my hat off to Sir Otto Niemeyer on what he has accomplished in the way of laying the foundation of a new economic policy for Australia. That gentleman came to Australia

with fixed and definite views. The views he held and the ambitions he entertained fitted in largely with the views and ambitions of the vested interests of Australia, and especially that portion of them which had been represented for some time in the Commonwealth Parliament by the Bruce-Page combination. It was, I think, abundantly clear to any student that Sir Otto Niemeyer was going to use the depression and the difficulties of Australia as a means of redistributing the wealth of Australia. He accomplished that wonderfully well. The Premiers' Plan, which has been referred to by various speakers, though the name may be a misnomer, was part and parcel of the foundation of reform as desired by that visitor. The sad side of it is that the Labour party were scared by his utterances, by his anticipations of what would happen unless reconstruction took place. Unfortunately for Australia the Labour Party did not test the question out, but rather succumbed to the scare which had been created, and had recourse to reconstruction on a basis which has not resulted as one would wish. It is quite clear that under the Premiers' Plan and under the policy outlined and advocated by Sir Otto Niemeyer, the States have become impoverished while the Commonwealth has become affluent. Gradually and surely the States' activities have been reduced, and the States' policies have been framed and directed by outside sources. With all that money in hand, the Commonwealth has distributed it in a manner that will satisfy only their particular supporters. The present Federal Government have distributed a large amount for the relief of property owners their policy will benefit solely one section of the community and will not to any extent assist those from whom all this surplus wealth has been taken. The workers of Australia have made this sacrifice. The old age pensioners have contributed their quota, but a recent agitation is compelling the Federal authorities to give some consideration to those who have suffered under the reconstruction. While a lot has been said in that regard, it would appear that only very little is to be returned to those who need it most; the greatest relief is to be given to vested interests. All this is part and parcel of the policy laid down by that financial man who was brought here from the Bank of England.

Mr. J. MacCallum Smith: Who invited him?

Hon. W. D. JOHNSON: He was invited by the Bruce-Page combination, and he arrived here at a period when the Labour Government were in office.

Mr. J. MacCallum Smith: You are thinking of the Big Four.

Hon. W. D. JOHNSON: The Big Four were purely the advance guard. They laid the foundation of what afterwards took place. Sir Otto Niemeyer came in at a period when he was able to consolidate what the Big Four had prepared, and what they had led the people to believe was essential. As I say, we arrive at the position to-day that, as a result of a combination of circumstances organised by the Federal Government, we are suffering from the reconstruction of the economic foundation that previously existed in Australia. To-day, instead of the wealth being distributed on a basis to give general satisfaction to Australian sentiment, we have poverty largely extended amongst one section of the community and affluence placated under the so-called recovery Budget. Property to-day is to be relieved of taxation, though not the property of the farmers nor that of the producers, but the city property held by vested interests, the wealthy people of Australia. They are the people who are to receive relief in the greatest measure. We know that previously Australia, because of the more even distribution of its wealth, was a menace to other parts of the world. There is no doubt that our distribution of wealth was on such a basis that made us to a great extent the envy of the workers in other parts of the world, and particularly in other parts of the British Dominions. As the basis of distribution in Australia was organised to give satisfaction to the workers, it caused grave concern to vested interests. There has been an agitation from outside Australia carried on by those who disagree with our social services, and by a combination of forces outside and inside Australia as well. We have arrived at a position when vested interests have become placated and the workers are groaning and suffering, and it is questionable now whether others can contribute much towards the relief of those who are suffering. The member for Nedlands had a good deal to say about the State's position. It has to be borne in mind, however, that the State deliberately placed itself in the position it now occupies. The

Financial Agreement of the Bruce-Page combination was adopted by the Premiers' Conference in 1928; it was submitted to the people and endorsed by a large majority of the electors of Western Australia. This agreement definitely altered the economic administration of the State. As soon as the agreement was adopted there was reform of a character that strengthened the central administration and proportionately reduced the powers of the State to control its debts. The Financial Agreement, of course, gave a great measure of control to the Commonwealth, and, just as the Commonwealth assumed that greater control, the State lost the possibility of doing a lot that the member for Nedlands expects. The hon. member asked that the Government should announce a policy. What is the use of calling upon the Government of Western Australia to outline a policy for perhaps the period of a Parliament when the Loan Council is calling the tune? What the hon. member asks could perhaps be done for a part of one session, or perhaps for the period covered by a session. We have to go to the Loan Council for our authority to continue on the lines under which the State has been working since the signing of the Financial Agreement, and in fact even before that agreement was signed. Before the agreement came into existence, our debt per head of the population was half what it is at present. Of course there are extenuating circumstances and the State is perhaps in a better position as compared with the other States in regard to its Loan indebtedness and its per capita debt. We in this State are carrying on activities covered by Loan expenditure which mean that the Loan indebtedness must be added to that of the other States before we can compare our position with that of the other States. We have done a tremendous lot of development and borrowed a great deal of money when money was dear. We borrowed at high rates of interest, with the result that our revenue has been taxed enormously to meet that interest and provide sinking fund. This has been a great burden to the State, ever since the agreement was signed. We have to appreciate the fact that to-day the possibility of the State declaring a policy for the period of the session has gone. We must get back to normal conditions—and they are a long way off—before we can start talking about what we are going to do during the next one or two years. To-day we are really working,

not on an annual allowance, not on an annual Budget, but on what might be said to be a monthly Budget. The Estimates we are considering to-day are not Estimates that will outline to Parliament what will be the actual position during the whole of the year, because the Loan Council meets and varies its policy in proportion, I take it, to the value of money and the financial outlook of the various States. Fortunately the outlook is bright. I agree with the hon. member with regard to the wheat position. I refer to that now because I do not propose to dwell upon it to any extent. Most members are aware that for many years I have taken more than an ordinary interest in wheat-growing and wheat marketing, and I believe that the position at the present time is so delicate that we must leave the handling of the subject to those who are negotiating for an improvement. But the position is that the outlook, apart from wheat, has brightened. We can only hope that the wool prices can be maintained during the marketing season of Australia, which generally runs into about January. If the prices are maintained, the return to Australia is going to be enormously greater than that of the previous year. That will have its benefit and no doubt will influence the Loan Council in regard to its attitude towards the States. The fact remains, however, that we in this State as well as those in the other States must appreciate that we are on what might be termed a monthly allowance, that we get a month-to-month allowance to subsidise the income of the State, and that the States generally are called upon to live within the monthly budget. That alters conditions altogether. We used to refer to the "annual" expenditure, and the prosperous month would make up for the lean month; but that cannot apply to-day. While that phase has to be taken into consideration, it is just as well for us to regard the position squarely, and recognise that we have not to-day the control we once had over the financial position. We have not sufficient control to enable us to do what the member for Nedlands (Hon. N. Keenan) has suggested. When Mr. Collier or other Premiers go to the Loan Council, it is not a matter, so far as I can see, of those heads of Governments being able, or anxious, to reform the policy that is directing the affairs of the States and the Commonwealth to-day. I think they are

anxious, but they are not able to do so. The policy that controls the affairs of State to-day is that which is determined by the Loan Council. While the Premiers cannot reform that body, they have to go to the Loan Council to secure as liberal a measure of assistance as possible. The present Premier of Western Australia was remarkably successful in his efforts when he made his first visit to the Loan Council, after the recent general elections. He was wonderfully fortunate in creating an impression and securing results that we were not justified in anticipating when he left Western Australia. While that is so, it is now purely a time for bargaining, in an endeavour to secure from the Loan Council a measure of support and consideration for the disabilities of the State. The Loan Council go exhaustively into the position of the several States, ascertain their revenue and review their expenditure. Under the Premiers' Plan, the State is called upon to supply monthly a statement not such as is prepared at the Treasury for the use of members and the public, but a special statement required to outline to the officers associated with the Loan Council, the financial position of the State. It can be said with justice that the general control of the financial position of Australia is centralised to-day. That is proved by the fact that the States have to submit their monthly statements to the central authority at Canberra. The member for Nedlands rightly referred to the increased loan expenditure and the consequent added load of interest. That position must cause grave concern to anyone alive to the welfare of Australia and of Western Australia. All the States have deficits and there is a growing tendency to avoid those deficiencies by securing loan funds and transferring activities usually paid for from revenue to loan expenditure. To-day, loans are raised and used to an increasing extent throughout the Commonwealth for works that previously were financed from revenue. Those works are not reproductive in the sense that we are supposed to spend loan funds only on work that will show a return covering interest and sinking fund charges. The most we can expect from the works that are being undertaken to-day, is an indirect result that will improve the conditions of the State so as to enable us to meet the increased interest bill. We know we cannot do that under present circum-

stances, and, year by year, there will be deficits on revenue account. There is not likely to be any early economic or financial recovery, if there is to be any such recovery at all. The previous Government built up a large increase in the funded deficits and the present Government will be called upon to add further amounts, although they cannot be estimated at this stage. On all that money we have to pay interest. The deficits are funded in short-term loans that now run into about £90,000,000, and we have no assets to show for them. Where the interest comes from year by year, I do not know. That amount of £90,000,000 continues to be increased, and there is no possibility of any reduction as things are at present. It has to be appreciated that, just as we increase our loan expenditure on works that are not reproductive, so the interest burden will become such a drain on the State's resources that we shall not be able to make ends meet, and it will mean continuing to add to our short-term loans. While the member for Nedlands drew attention to the difficulties of the present situation, he did not tell us his conclusions regarding the future. He did not indicate where, in his opinion, the present policy would end and where we were drifting. He justly pointed out that there has been a drift for many years past, and that the time must come when the drift will stop. I believe—probably the member for Nedlands will disagree with me—that the drift will cease only when unification becomes an accomplished fact. It is perfectly clear to me that State Administrations, as we know them to-day, cannot continue to function in Australia, because the economic pressure involved in the creation of more than £90,000,000 of short-termed loans will be such that the position of State Governments will become impossible. The member for Nedlands emphasised that fact. He wanted to know how we could recover from such a position and what was going to happen. In my opinion, we cannot recover. It has gone too far for any such result. It has gone too far, because under the Financial Agreement, which was endorsed by the people of this State, we gave the central authority power to control our financial position. The policy pursued by the Federal Government for years past has been gradually but surely to extend their powers and proportionately to

decrease the authority of the States. The Commonwealth has the States now in the position it desired. The Financial Agreement was the greatest factor in securing that end. Fortunately I opposed the Financial Agreement, and that is why I can speak so definitely about it. In the course of the debate in this House, I pointed out what would be the result, that unification would be inevitable and that in giving the Federal Government power to control the finances of the State, we had extended a definite invitation to go ahead and do those things that the Bruce-Page Government did to such an enormous extent. That Federal Government represented the greatest unifying force we have ever had in the Commonwealth, and they contributed largely to the impoverishment of the States and to the limitation of the States' powers and authorities. Presently I will ask members what we are here for. While we have been impoverished, our activities limited, and our control over our own affairs reduced, the Federal Government have gone ahead and flourished. That has become the inevitable trend since the Financial Agreement was entered into in 1928, and it has been contributed to by the forces I have already referred to. During the election campaign, and in the course of speeches in this House prior to that election, I pointed out that we have to-day a one-sided form of unification. Our revenue is controlled from without. We are directed as to how we shall levy taxes. I do not say that that applies to every detail, but there is an outside influence that directs the taxing methods of the State Governments. While outsiders interfere with our revenue and its distribution and exercise control over our expenditure, our position will be increasingly impossible. The member for Northam (Mr. Hawke) referred to the expenditure on the various State activities. Those activities are gradually but surely being reduced because the State cannot any longer carry the burden of administering them, largely because so much of the necessary money has to be diverted in other directions. I am afraid that the next cut that will be forced upon us will be in connection with the Education vote. In various parts of Australia, including this State, propaganda is being indulged in with regard to the assistance rendered for education purposes. We are in grave danger of a large reduction being forced upon the State because of the im-

poverty of our finances, to which I have already referred.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. W. D. JOHNSON: Before tea I was dealing with what I think is the ultimate destiny of the State as a result of the Financial Agreement of 1928 and the policy and direction of the Loan Council. I pointed out that control of the wealth of the State is really not under the jurisdiction of the State to-day, but is influenced by an outside power, namely, the Loan Council. The member for Nedlands (Hon. N. Keenan) wants to know what is going to happen. There may be a doubt as to what is going to happen to the States, but there is no doubt as to the ambition and goal of the Federal authorities; they are out to extend their power and control until they get the States into a position where the economic pressure will compel them to submit. What is the work of members of Parliament to-day? In this State we have 80 members under these altered conditions, and I ask what power have we, what work can we do? I heard one member complain that other members deal with tiddly-winking things. But if we do not deal with tiddly-winking things, we have nothing at all to deal with. I am fairly active, and I know my time is occupied dealing with sustenance workers; trying to find work for the other fellow, as the member for Middle Swan has said. I have to deal with pension claims, and child welfare matters, and I do a certain amount in connection with probate and similar things for the purpose of helping those in distress in my constituency; but as for dealing with big problems, the opportunity has gone. We can, of course, make speeches on big matters, but those matters we cannot control, but can only express pious opinion as to what should be done. We often hear in this Chamber speeches dealing with world problems and Federal functions, and those speeches lead the people of the State to believe that the State has some jurisdiction, some right, some powers to deal with the matters spoken to by a number of members. But we have not those powers. We cannot control conversion and raise loans; we cannot correct currency and credit. The days for the exercise of those powers have gone. The State at one time had such powers, but to-day we have not got them. It is all very nice to make speeches about

those matters, but it is of no practical benefit to the State, for we have not power to put our views into effect. What actually takes place? We have to-day a Government and the head of that Government goes regularly to Melbourne to attend Premiers' Conferences. The Premiers' Conference sits and deliberates in regard to the position of the various States. The Premiers exchange views with the idea of helping one another in their administration. Then the Premiers are transformed into the Loan Council, which is the practical directing force. The Loan Council outlines what it thinks should be the State's policy. The Loan Council does not direct the actual administration, but it specifies the amount of money that should be available for the purpose of administration. Only the Loan Council can direct in that way. Then the Premier returns to the State with a knowledge of his financial position as dictated and directed by that centralised authority. He meets his Cabinet and reports, and Cabinet immediately puts into operation the policy that will fit in with the direction received. This is necessary to-day, because we have to work month by month. The Government cannot come to this Parliament for direction, because parliamentary direction lies in the Eastern States, and the direction is that a given amount of money shall be absorbed month by month. So the activities of the State are on a monthly basis. Therefore Cabinet can only function through Ministers, and Ministers to-day are governed by directions from the Loan Council. I emphasised this in the early part of the session with a definite purpose. I raised a question about the Causeway reclamation deliberately to draw attention to the fact that we no longer direct public works. Ministers alone do that. There was a time when the Estimates gave us an opportunity to express our views as to the works that should be undertaken. Those days are gone and now the works to be undertaken are undertaken by Ministers, and all we as members have to do is to try to get those works to employ as many of our constituents as possible. I am not complaining but, on the other hand, I am not going to stick my head in the sand and fail to realise where we are. In my constituency a big work is going on at the abattoirs. I know nothing whatever of the details of that work, have never been consulted. Yet I was actively associated with the establishment of

the saleyards and abattoirs, and have never been very far away from them, and so know all about them; but although I am member for the district and this latest activity is within a short distance of my home, I know nothing whatever about it. What, then, is the use of asking me what is being done at Midland Junction, since I do not know? Again, roads are being constructed. I see the start of various works, and the first intimation I have of anything being done is when the men are actually on the job. There is nothing wrong about that. I am not personally criticising the Government, but what I want members to realise is the Government's position. So what is the use of making speeches and pretending that we have the power to do big things, when we can no longer do big things, and when others have to do them for us? Estimates to-day are estimates of expenditure in connection with the Public Service, mere questions of salary; beyond that they do not go. It is true, as the member for Nedlands pointed out, that we have to estimate our revenue, and that there may be matter for criticism in that regard. Whether or not it is correctly estimated, I do not know. But we have had that year after year, and the Estimates before us are no different from the Estimates of other years. It is purely in regard to expenditure that Parliament has lost control. So we have arrived at the position where, as the result of the Financial Agreement and the Loan Council, there is no longer room for 80 members of Parliament in this State. Unification is coming, and the economic pressure, the growing deficiencies, the short-dated loans of £90,000,000, will grow until they overwhelm us. Then the member for Nedlands wants to know what is going to happen! In my opinion the Commonwealth will have to appreciate the growing deficiencies and the impossibility of carrying on, as the member for Nedlands pointed out. But the hon. member wants to know what is going to happen! In my opinion the Federal authority will call a conference of representatives of the States and will negotiate with the States on the basis of economic reconstruction. We are being governed by a Cabinet, and there is no longer room for 80 members of Parliament to assist that Cabinet. Therefore economy demands that unification shall come. In my opinion that unification will be in the form of an interstate commission governing the affairs of

the States on a basis more limited than it is to-day. But the growing power of the central authority will become so pronounced that we shall have to give way. I do not wish to say that Parliament is altogether inactive in regard to economy. I am going to touch upon one that caused me a great deal of concern. When the depression struck us, the Labour Party was in Opposition, and we influenced the only definite economy that I know of since the depression started. That was when we helped to bring about the closing down of Government House as the residence for a State Governor. It is true that our opposition did not result in a vacancy being created, but when a vacancy occurred, we were so active in our opposition that we demanded that no further appointment should be made to the office until Parliament had been consulted. You, Mr. Chairman, know possibly better than does any other member how definite that pledge was and how determined we were to ensure that there should be no misunderstanding. We were given the pledge.

Mr. Latham: I do not think it influenced the Government of the day one bit.

Hon. W. D. JOHNSON: Perhaps not.

Mr. Latham: We could have made an appointment and what could you have done?

Hon. W. D. JOHNSON: Reform will never be obtained by hiding the weaknesses of a Government. The general election took place and, during the election, I made the maximum use of the activities of the party with which I am associated. I pointed out what an accomplishment it was that a plank of the platform to which we were definitely pledged had been attained by our activity on the Opposition benches. Though we were able to get that undertaking when we were in Opposition, we failed to consolidate it when we took possession of the Treasury benches. Instead of Parliament being consulted before the appointment was made, as had been promised to Parliament, an appointment was made.

The Premier: That is not a clear statement of the case. There has been no alteration; this is a substitution of one for another and no Labour principle is involved.

Hon. W. D. JOHNSON: That is where the Premier and I differ.

The Premier: There is no principle involved.

Hon. W. D. JOHNSON: To me a very big principle is involved. Will the Premier permit me to interpret my Labour ideals in my own way?

The Premier: Yes.

Hon. W. D. JOHNSON: I have definite opinions on this question. It will be no help to the people I represent if we fail to realise our weaknesses in this regard. I wish to strengthen the party with which I am associated. I wish to ensure that our movement is so based and organised that our platform will be put into operation.

The Premier: Our platform has not been infringed at all.

Hon. W. D. JOHNSON: Let us look at the facts. When the overseas representative left our shores we made a definite saving to the extent of the salary of £4,000 a year. We made a saving of other expenses connected with the Governor and Government House. After the departure of the overseas Governor, a Lieut.-Governor was appointed—the Chief Justice—who, I understand, did not draw any salary. The expense of Government House was reduced to a minimum.

The Premier: No lower than it is to-day.

Hon. W. D. JOHNSON: I am pleased to hear that. As to the expenses connected with Government House, we shall be able to raise that question on the Estimates, because the item comes under our review. As to the salary, we cannot deal with that unless we do so on the general discussion. When the overseas Governor left, a saving of £4,000 in salary was made. The State lost nothing; it was a definite economy, one we had every right to regard with satisfaction. To-day, however, we find in the Estimates an amount for a salary of £4,000 for the Lieut.-Governor. Whether that is going to be paid or not, I do not know, but so far as we can judge, the salary is £4,000.

The Premier: Where does that appear in the Estimates?

Hon. W. D. JOHNSON: Under special Acts.

The Premier: Yes, not in the Estimates.

Hon. W. D. JOHNSON: That is the point. This is the only opportunity I have to raise the question. I can refer to it during the general debate on the Estimates, but I cannot deal with the details of expenditure. We are told that the Lieut.-Governor is paid under a special Act and the special Act,

according to the Estimates, provides for the payment of a salary of £4,000.

The Premier: So it did last year.

Hon. W. D. JOHNSON: Yes; the only thing is that the amount was put there last year—

The Premier: It was not put there; it is in the Act.

Hon. W. D. JOHNSON: Well, it was in the Act. That shows that the undertaking given to Parliament was definite and pronounced.

Mr. Latham: Provision has to be made every year for the amount provided by the special Acts.

Hon. W. D. JOHNSON: There is some difference of opinion; I am not going to argue it. I do not care whether £4,000 was on the Estimates last year.

The Premier: It was not and never has been. How can it be under a special Act and on the Estimates?

Hon. W. D. JOHNSON: That is the trouble about the latest appointment. What is the use of quibbling about it? Let us look at the facts squarely and see whether we cannot secure the reform for which we all stand. I know that the amount is not on the Estimates.

The Premier: You just said it was.

Hon. W. D. JOHNSON: The Premier is quibbling. It is on the Estimates in this sense, that Parliament cannot reduce the amount and cannot criticise it. It is on the Estimates under special Acts, and when the Estimates are passed, the money is available for expenditure.

The Premier: It has always been there.

Hon. W. D. JOHNSON: But it has not always been used. I am concerned about the possibility of its being used this year. We know that if the whole amount is not used, some of it will be. Last year none of it was used; this year some of it will be used. I was proud of the fact that the office of Governor had been abolished for the time being, but realising the danger of Government House being retained for the accommodation of a Governor, I strongly advocated during the election that Government House should be used for other purposes, so that we might remove for all time the temptation to secure another overseas Governor or any other representative, seeing that such a representative had proved superfluous to the State's needs. I have to admit to my constituency

that, under a Labour administration, we failed in that regard.

The Premier: In what regard?

Hon. W. D. JOHNSON: In that Government House to-day is occupied by a Lieut.-Governor. To my way of thinking there is no difference between a Lieut.-Governor and a Governor appointed from amongst the citizens of Australia. What I desired was economy. We have not retained on the platform of our party, year after year, a plank for the abolition of the office of State Governor in the hope of securing a modification. What we wanted was the abolition of the office because, after the introduction of Federation, it became superfluous. We all maintained that a Governor-General was sufficient for the connection essential under the present-day administration of the British Empire, and we say that a Governor-General having been appointed, it was an understanding as part and parcel of the advent of Federation that State Governors should go.

Mr. Patrick: No, the States were to retain their sovereign rights.

Hon. W. D. JOHNSON: We can retain our sovereign rights without having a State Governor. It was a definite understanding, not only by one party, but by all parties, that this was one of the economies that could be effected. All I wish to emphasise is the fact that, when we were sitting in Opposition, we were able to secure an undertaking that gave satisfaction, but when we took over the administration of affairs, we failed to consolidate our position.

The Premier: It is not so at all.

Hon. W. D. JOHNSON: It may not be so to the Premier; it is so to me and to my constituents.

The Premier: It is not so in fact.

Hon. W. D. JOHNSON: The position is that an appointment has been made. As to who made it or how it was made, I am not concerned. I worry about it and I am sorry that the appointment was made, but not on account of the gentleman selected. I do not consider the personal aspect at all. I am concerned because we preached economy. Here was a definite measure of economy and we were unable to take advantage of it. I appeal to members representing the movement to appreciate this weakness and to endeavour to do something to prevent a recurrence. Such an appointment is a luxury; it is superfluous; it is not wanted.

The Premier: It cannot be abolished. I could not do it and you could not do it.

Mr. Marshall: That is so. It is necessary under the Constitution.

Hon. W. D. JOHNSON: The Constitution has been amended at various times. It is only a question of making up one's mind to try to do those things and they can be accomplished. The Labour movement has done a lot of important things during my lifetime.

The Premier: Will you tell me how you would abolish the office of Governor?

Hon. W. D. JOHNSON: Possibly I shall go into that phase of the question and ascertain whether there are not ways and means to do it. If there are not ways and means to do it, we ought to alter our platform at the earliest possible moment.

The Premier: Alter the Constitution.

Hon. W. D. JOHNSON: It is another occasion when we are misleading the people we represent. If we cannot do those things, why go to the country and advocate them? I was one of those who advocated the abolition of the office of Governor, and that plank has been on the Labour platform for goodness knows how many years.

The Premier: What the Labour platform says is that we will try to alter the Constitution.

Hon. W. D. JOHNSON: Then let us do it.

The Premier: You cannot do it until you alter the Constitution.

Hon. W. D. JOHNSON: Let us alter the Constitution.

The Premier: Very well.

Hon. W. D. JOHNSON: The Premier asked just now how it could be done, and now he has supplied the answer to his own question. He says that the Constitution must be amended. Let us try to do it.

The Premier: Very well, try it.

Hon. W. D. JOHNSON: Let us do it at the earliest possible moment.

The Premier: It could not be done by the Government; it has to be done by Parliament.

Hon. W. D. JOHNSON: The Government would have to introduce it; I could not introduce it. Therefore, we may leave it in the hands of the Premier and of the Government. Another matter I am disappointed about is the appointment of an Agent-General. This has nothing to do with the present Government. Just as a Lieut.-Governor is unnecessary, so is an Agent-General positively superfluous.

The Premier: I entirely disagree with you again.

Hon. W. D. JOHNSON: I knew the Premier would disagree. I know sufficient to be satisfied that the Agent-General is doing no work. What can he do?

The Premier: How do you know?

Hon. W. D. JOHNSON: There are no loans to negotiate; Mr. Bruce undertakes that work. There are no conversions to arrange; Mr. Bruce is doing that work.

The Premier: Is that all the Agent-General does?

Hon. W. D. JOHNSON: I intend to deal with that one phase. I know that was the major work of the Agent-General—dealing with finance and arranging with the Westminster Bank and other financial institutions for short-dated loans to meet the needs of the State. That was a great task and good service was done for the State by the Agent-General. To-day, however, the Agent-General does not do that; it is no part of his job. State activities in London are nowadays very limited indeed. Mr. Angwin claims that the office of Agent-General is a very important one and that there is quite a lot of work to be done.

The Premier: So there is.

Hon. W. D. JOHNSON: Work of a social character.

The Premier: Not a bit of it.

Hon. W. D. JOHNSON: But there is no work of a kind that would justify the payment we are making. The office is superfluous. It is a luxury job and we cannot afford luxuries to-day. I know the Premier will not agree with me, but my constituency agrees with me and that is all-important.

The Premier: I do not think your constituents give it much consideration.

Hon. W. D. JOHNSON: I gave a good deal of consideration to it during the election. The matters I am dealing with now, I dealt with during the elections. I am stating my opinion of what should be done on the basis of the speeches I made and the pledges I gave during the election campaign. I believe that not only should steps be taken to abolish the position of Agent-General but that we should discontinue as early as possible our occupancy of Savoy House. That property belongs to the State. I was never enthusiastic about its purchase. I have always thought that one central building and one central authority were as sufficient

for Australia, as the Governor-General is sufficient for the Commonwealth. To-day it is unnecessary that we should have this property in London. It may be a bad time in which to dispose of it, but it is not a property we should continue to occupy and retain possession of. The position of Agent-General should be abolished.

The Premier: We do not own Savoy House. It is only leased.

Hon. W. D. JOHNSON: I was under the impression that at one time the State acquired the freehold.

The Premier: It acquired a long lease.

Hon. W. D. JOHNSON: If we are tied to a lease, we shall have to see it through. To-day Australia has a unified system of overseas representation. The entire Commonwealth is reflected in the activities of Mr. Bruce. He has become a big man. He has been lifted by the Press and by his own Party into being the strong man of Australia. Let him help this State. I do not think he will do very much for us outside our association with the other States in the matter of conversions, but he can relieve us by taking over the limited duties that are now carried out by the Agent-General. Mr. Bruce could combine those activities with his other activities, and they would not overburden him, while at the same time substantial economy could be effected for this State. There are many things we want here but cannot afford. There are many cases of distress amongst our people. I should like to suggest many things that require to be done, but for financial reasons it is beyond the capacity of the State to do them. Certain economies could be effected outside the State that would enable us to do a great deal more in the way of providing relief in the cases of distress to which I have referred, and in other directions. The Government should take a serious view of, and take steps to effect the economies that have been advocated in the administration of the Collie coal field. There is a motion before the Chamber dealing with this matter. I did propose to move an amendment to it, but I thought it would only complicate the discussion on the matter raised by the member for Collie (Mr. Wilson). My ambition is to have the Collie coalfields dealt with in a bigger way than is covered by that motion. I believe in the use of 100 per cent. Collie coal, but object to 100 per cent. control by middlemen. The report of Dr. Herman deals with

the large profits which have been made by the middlemen, who stand between the people's coal at Collie, and the utilisation of the coal by the main activities of the people. I do not know why middlemen are required to take the profits of and conduct the operations at the Collie coalfields. There is no reason why the State should not deal with the coal as the State railways have dealt with timber. I remember when timber was the subject of a definite monopoly. The railways had to pay an enormous amount beyond what was reasonable for timber, and the department, in order to overcome that difficulty, established a State sawmill. Many people think that the State sawmills were introduced by a Labour Government. That is not so. It is true a Labour Government extended enormously the State sawmill operations, and it is to their credit that they did so. The first State sawmill, however, was established by a Nationalist Government. I think the late Frank Wilson first approved of a State sawmill at Wuraming. That was originally a railway mill. It was erected to relieve the State of the cost of timber. The same position applies to Collie coal to-day. We had the timber, but middlemen were cutting it, and selling the people's timber to the railways and making a huge profit out of it. That was all wrong. I want a similar policy to operate in respect to Collie coal. In his report for 1933 on Collie coal, Dr. Herman stated—

The Amalgamated Collieries Company of Western Australia, Limited, has been granted by the State almost a monopoly of the Collie coalfield, outside of which there is at present no known commercially workable coal seam within the State. The State grants to the company a lease of its coal-bearing land at low charges for lease, rents, and royalties. The State does not enforce fulfilment of the statutory labour covenants on the company's holdings of about 36,000 acres. Western Australian sentiment naturally calls for the use of native coal, thereby depriving the State of any real control of prices by competition of imported coal. Hence ordinary commercial price regulation has been absent in arranging State contracts for purchase of Collie coal. The State itself, almost from the day the Collie field first started to produce coal, has been and still is the purchaser of more than 80 per cent. of the total Collie production. For all these reasons there is a justification which otherwise might not exist, for a definite measure of control by the State of the operations of the Amalgamated Collieries Company. There is ample evidence in this report that such State control is not merely justified, but has become an urgent public necessity.

For many years I have tried to get that point of view realised by the Government of the day. For a short term I was Minister for Railways, and during that period had to let contracts for Collie coal. I do not want another experience like it. As Minister, I could see what course to steer for the protection of the State railways in acquiring the best coal at a reasonable price. I declared the Government policy without first consulting Cabinet. The result was that Cabinet was inundated by deputations of all kinds. Ultimately the pressure became so great between the combined interests of capital and labour that I was compelled and directed by Cabinet to change my view, and to find another method of contracting with the Collie coal fields. I have no feeling of bitterness over that, but it was quite wrong. Although that happened many years ago, during the Daglish Administration, it has been the experience of successive Governments, not in so pronounced a way, that every time a contract has been let it has been directed by other influences than the railways which are the largest consumers. There has always been pressure brought to bear. So long as that goes on, the Collie coalfields will never be administered in a manner that will be a credit to organised labour, nor shall we get that economic result for our railways that they are justified in expecting. I do not believe in the present method of management, and have not been a party to it for years past. It is not possible for capital and labour to combine in the general administration of industry. The Collie coalfield has not given me any reason to think that the views I have held for years are wrong. The results, as disclosed and exposed by Dr. Herman, demonstrate that a change is necessary. I hope Labour will apply itself to bringing about that change.

The Premier: I agree with all you say about Collie coal.

Hon. W. D. JOHNSON: The Premier and I do not disagree very much. I am broadminded enough to appreciate that if I were on the Treasury bench I could not speak as freely as I am doing to-night. I am a freelance and have a responsibility only to my constituency. I want the Government to realise, however, that I have a measure of responsibility towards them also. I am just as loyal as any man behind the Government, and the Premier knows it. On the question of loyalty I have been tried on more than one occasion. The Premier

must understand we are not going to get reform in our movement and progress, and build up a militant organisation, if we fail to realise those weaknesses that are demonstrated as the administration goes along. I know the Premier does not take exception to my criticism of these matters.

The Premier: Certainly not.

Hon. W. D. JOHNSON: I thoroughly appreciate the difficulties of the times, but I should like the Premier to govern a little differently, and in a manner more to suit me. There is another matter concerning which I have been critical ever since it was introduced, and I am sorry to say it is going on more vigorously than ever, I refer to the expenditure of money upon main roads. The Bruce-Page Government, previous to an election, had a fairly substantial surplus. In order that a change of Government would not permit of much of that surplus being expended, they decided to distribute it in such a way that it would help the growing motor interests, the motor companies and vested interests connected with the expansion of motor transport. They put up a proposition that the States should accept that money, subsidise it, and spend it in a manner directed by the centralised authority. The Commonwealth Government were to direct operations. It was urged that the money was cheap. In point of fact, the money was never cheap. It was money that helped private interests in the form of dividend collectors from motor companies, and the money was so expended as to cripple State activities. Indeed, that expenditure represents a considerable percentage of the public debt. The money has been used to create competition with our railways; and that competition—road transport—is proceeding actively. What is the use of building a main road between Kalgoorlie and Perth? Kalgoorlie has an aeroplane and a daily train service. The State cannot stand more expenditure. I criticised this feature previously, saying that if every motor car which came into Western Australia was occupied to its full carrying capacity, the increased population might provide for the increased financial burden. However, the motor cars that come in empty are of no economic value. The motor industry has not increased the population of Australia.

Mr. Hawke: It is decreasing the population rapidly.

Hon. W. D. JOHNSON: Why go on duplicating services when we cannot maintain existing services? Our 430,000 people are called upon to maintain the railway, and they cannot do it; and then we build a road alongside the railway to make the task increasingly difficult. Why not stop building main roads altogether? I declare emphatically that I would put holes in the main roads to stop the competition with the railway system. I have not got a motor car.

The Premier: That was an unnecessary observation.

Hon. W. D. JOHNSON: A spring cart and a sulky are quite enough for me. In my constituency I am driving the same buggy that I drove 20 years ago; I merely change the horse every five or six years. I have not progressed with the times in respect of my personal convenience. I have never been able to afford it. If I could run a motor car, I would buy one to-morrow. I realise that the first cost of buying a car is an easy matter; but as regards running a car I have a number of friends who know what that means. Largely they have deregistered their cars. The motor companies have grown so enormously, and so much money has been invested in motor importation and distribution, that that phase of business represents a strong vested interest. The companies have the same kind of publication as the banks have, insisting on the need for continuance of private banking. "Road Transport Publication" is quite an up-to-date periodical, but it continually enforces the view that main roads must be maintained and that road transportation must be encouraged without any regard to the fact that these things cripple the State's main asset, its railway system. I know the Government are about to introduce a transport Bill. There will be a lot of fun in regard to that measure here as there has been elsewhere. New members will be interested to see the amount of lobbying going on. The lobbyists will be thick in the corridor, and members will be buttonholed with regard to what should be done. These people will persistently claim that their interests should receive every consideration, irrespective of the people's right to have the main asset of the State protected. Therefore I appeal to the Government to do less in the matter of main road construction. Subsidiary feeder roads are necessary. We did have a policy of building such roads, especi-

ally in the agricultural districts, with excellent results; but to-day main road construction is active, and maintenance costs are growing so rapidly as to become a financial danger, absorbing too much of the people's money. The 430,000 people who have to bear that expenditure have also to pay for the maintenance of the railways. I ask the Premier whether there cannot be a change of policy which will build up our railways instead of building up main roads.

The Premier: You object to main roads parallel with railways?

Hon. W. D. JOHNSON: Yes. A good deal of such construction is being done to-day right from Kalgoorlie to Perth. Portions of the road are being reconstructed, and portions are being tar-dressed. I ask the Premier to appreciate that if we are to have financial reconstruction, if we are to save the ship of State, if we are to avoid unification by the process I have mentioned, it can only be done by primary production. We cannot do it by secondary industries, because we have not the necessary population. Certain secondary industries are flourishing, and these should be encouraged. I agree with the efforts of the Minister for Employment to popularise the use of local products, but the hope of stabilising our State finances by the expansion of secondary industries is indeed remote. But we can do a mighty lot by increased primary production. Again, we can do a great deal by organising our markets. Take poultry farming. Hon. members will recollect that I introduced an Egg Marketing Bill. It did not receive much support, but there was a valuable discussion. At that time poultry farming was at a low ebb, and it was thought that the passing of the Bill would greatly improve the position of the industry. I still hold that view.

The Premier: We are going to bring down a Bill for that purpose this session.

Hon. W. D. JOHNSON: I am indeed glad to hear it. After the defeat of my Bill Mr. Bath and I decided to have a little bit of an organisation established through the co-operative movement. We formed what we called an egg trust. We got poultry farmers organised with a view to their eggs being put through the trust. We got in touch with London, and established improved marketing facilities there. We examined the methods of handling eggs, and improved those

methods. As a result we were able to introduce better organisation, and to-day there is a great improvement in egg marketing. The unfortunate part is the competition in selling. The firm of Munro in London, big buyers of eggs, buy from every one of the Western Australian sellers. Munro's go to Westralian Farmers and buy eggs from them. They go to Nelson and buy eggs. They go to James's co-operative concern and buy eggs from that; in fact, Munro is James's main buyer. As long as Munro's can get three or four of us selling to them, they can play one off against the other. I do not complain of that. It is just business. But I do object to producers being subjected to that kind of thing. If we could only get the producers the right to co-operate, a vast improvement would result. To-night I received a letter asking me to come along to one of their meetings called for the purpose of endeavouring to place egg marketing on a better basis. However, egg producers cannot be induced to stick together without statutory authority. When co-operation was started in regard to dried fruits and fresh grapes, there was an organisation of the Swan settlers, who all pledged their word and signed documents to pull together; but it was not long before one slipped out, and then another slipped out, and eventually the whole organisation broke up because of the disloyalty of about half a dozen. It is exactly the same with eggs. Without statutory power subjecting the minority to the direction of the majority, there cannot be loyalty in matters of this kind. I do not say that it should be a simple majority; but a substantial majority, arrived at after proper education in regard to marketing proposals, should be qualified to direct the minority and establish properly organised control. I wish to emphasise that since we first started to advocate this system, the world has progressed on similar lines. There is hardly an exporting nation to-day that is not under control. To-day's newspapers show what Mussolini has accomplished in this direction. What he has achieved is due to his controlling of export and production. The position is similar in the United States and all the European countries to-day. Governments control and support marketing, in some cases by means of bounties, with the result that States marketing as we are doing find themselves up against the difficulties I have outlined. Unfortunately there is com-

petition between wheat-grower and wheat-grower to-day, to the detriment of all. From that aspect especially I welcome the prospect of improvement in Western Australia's marketing arrangements. I generally finish up with the marketing problem, and shall do so to-night. I am strongly of opinion that we can reconstruct this State and escape the unification possibilities I have emphasised, but we shall not do it as we are proceeding to-day. It is wrong to go on building railways. I believe it is economically unsound to build main roads in competition with railways. I regard it as wrong to allow the monopolising of unused land alongside railways. We cannot finance railways running through unimproved land. Other countries have not as much justification as Western Australia has for tackling this problem.

Mr. Latham: I think all countries where land has been alienated are in the same trouble as we are. The New Zealand railways are in a bad way.

Hon. W. D. JOHNSON: The hon. member may talk about New Zealand.

Mr. Latham: But nearly every other country has privately-owned railways.

Hon. W. D. JOHNSON: I was thinking more of Queensland. Queensland has tackled the problem. It will be remembered what Theodore did in regard to pastoral leases, and the pressure put on him from London in that respect. He went to London and had to stand up against the stock exchange in regard to his activities. He defied the stock exchange, went to America, and there got the money London had refused him.

Mr. Latham: I believe the New Zealand railways are much worse off.

Hon. W. D. JOHNSON: I am not dealing with that aspect. I am suggesting that where there is a will there is a way, and that land which is not adequately utilised can be brought into proper use. It can be done in this State. The first essential is to gain information as to what unimproved land there is within carting distance of our railways. For that purpose, qualified officers should be appointed to make the necessary investigation. The Premier knows what happened in the Avon Valley when Mr. Lefroy went through it and reported on the unimproved areas in that district. Mr. Lefroy did a distinct service to the State when he drew attention to the large areas of unimproved land in that valley. The owners of the property realised that unless they got busy the

State would take action. There is to be seen a vast improvement in the Avon Valley to-day, and that result was achieved because of the report submitted by Mr. Lefroy to the Government. It is certain that the present position in the Avon Valley would not have been secured if it had not been for Mr. Lefroy's report. I want the Government to carry out a similar investigation regarding the unimproved land adjacent to railways in other parts of the State. It will not cost very much. I know sufficient of the State, as other members do, to realise that the land in Western Australia is capable of carrying many more than from 60 to 100 people per mile of railway.

Mr. Latham: We all know that.

Hon. W. D. JOHNSON: Then why are there so few as 60 to 100 people per mile of railway?

Mr. Latham: Because of the conditions that do not justify anything else. You know we have picked out the eyes of the land, and we had to build railways accordingly.

Hon. W. D. JOHNSON: And when you picked out the eyes, you took more than you could use.

Mr. Latham: We picked out the good land.

Hon. W. D. JOHNSON: Yes, in greater areas than could be used, and it is the poorer class of land that is left. It is the good land that I desire to have used adequately. The only way by which that can be done is to have an investigation carried out by capable officers who will report to Parliament on the area of unimproved land adjacent to existing railways. If we have that information, we may be able to do something along the lines I suggest. That will afford one means of giving permanent relief to those who are unemployed. There are in our midst to-day a large number of elderly men who have no occupation because of the economic conditions. Land that could be made available for them in some parts is lying idle; yet, if they could be placed upon that land, the men would have a home in their old age. Last night I discussed with the Minister for Employment the practice of sending of men upwards of 62 years of age into remote parts of the State in order to secure work. They include workshop employees who had never previously been away from their homes in which they had lived since they were married. Those men are not used to camp life and do not know how to cook.

The Premier: Do you say that a married man of 60 years of age does not know how to cook?

Mr. Marshall: You are not that age, but I reckon you do not know how to cook, either.

Hon. W. D. JOHNSON: With all due respect to the Premier, I hope I will never have to eat a meal that he cooks.

The Premier: And I think you are a pretty good judge.

Hon. W. D. JOHNSON: The men I have in mind have had no experience in living under canvas, and I think it is pretty hard on them. I know the Minister's position. He explained it to me in detail last night. Nevertheless, it makes one sad when one contemplates the lot of the old men, particularly when I know there is so much of the land I have in mind that could be used to relieve their position along the lines I have suggested. I hope less money will be spent on main roads and the savings made by that means spent in clearing land on holdings adjacent to the railways, so that we can give these old men a home where they can produce largely all they need.

The Premier: That is a very sound policy, but the trouble is to find the money with which to purchase the land.

Hon. W. D. JOHNSON: What the Government would save on the main road expenditure, they could use in connection with the land. The Premier referred to the purchase of areas. I believe that, even with the Legislative Council as it is, for patriotic reasons members there would support a Bill to compel the owners to give up some of the land they monopolise at present.

The Premier: We have power to repurchase estates.

Hon. W. D. JOHNSON: We could not do that, and I would not suggest it.

The Premier: It would cost too much.

Hon. W. D. JOHNSON: Exactly. On the other hand, we are justified in saying that we cannot continue as we are doing, that the railways demand greater production, and that the needs of the unemployed require that there shall be further homes provided for them under conditions that will enable them to produce largely all that they need. The land exists for that purpose—I can assure the Premier I know what I am talking about—adjacent to existing railways. The unemployed need not be sent into the drier parts of the State, because there is plenty elsewhere. I know

the Premier is sympathetic, and I hope he will authorise the inquiry I desire, so that the Government may know where the land is, and then consider means by which the areas can be controlled by the State for the purposes I have indicated. By that means many of these old chaps will be provided with homes that they so sadly need to-day.

MR. MARSHALL (Murchison) [8.35] I shall be brief in my contribution to the debate. There are one or two matters only that are agitating my mind and which I desire to discuss. I have listened attentively to some eloquent and logical speeches commencing from the Premier's utterance when he introduced the Budget, and I agree in the main with all that has been said. Nevertheless, I have been disappointed that the Premier and other able speakers, while elaborately expressing the requirements of the State and its inability to cope with present-day problems owing to the insufficiency of finance available, have not insisted upon the necessity for monetary reform. Since the depression commenced we have had two Premiers in this State and there have been frequent conferences with the Premiers of other States in conjunction with the Prime Minister of the Commonwealth. The present Premier has attended one conference since he has been in office this time.

The Premier: I will be there again soon.

Mr. MARSHALL: I am pleased to hear that. Sadly we gaze upon thousands of people who are unemployed; we see widows and children in want; we observe those who are in employment receiving remuneration inadequate for their requirements. All that can be done to assist them by the leading statesmen of the Commonwealth is to assemble in conference, each Premier in turn endeavouring to ascertain what is the most he can get from loan funds in order to carry out various works. The Premier was very successful on his one and only visit to the Eastern States this year.

The Premier: Unfortunately the Melbourne Cup will interfere with the next conference.

Mr. MARSHALL: Then I quite understand there will not be an elaborate debate on that occasion. I know the Premier has no inclination to indulge in that sport and, in fact, I do not think he indulges in much sport at all. He sticks too fast to his job,

and he would be much better if he did indulge in some sport.

The Premier: I ride occasionally.

Mr. MARSHALL: I can assure the Premier he did not look too comfortable on that particular occasion. As a matter of fact, he can feel thankful that the horse did not move while the snapshot was being taken.

The Minister for Employment: He scarcely looked a winner.

Mr. MARSHALL: If our sole objective is for the Premiers to meet in conference to raise additional loans, thereby piling up added financial responsibilities for posterity to pay, the outlook is indeed glum. Viewed from the angle of expenditure, we find that the bulk of the money is required to assist primary production. I do not object to that assistance being rendered, but the fact remains that we are endeavouring to maintain those industries for the products of which no profitable markets can be found. Look at the millions of money that have been sunk in the Group Settlement Scheme; the prospects of that scheme to-day are as gloomy as ever they were. The future holds little or no hope for the settlers. The Premier may be able to tell us whether the State is paying the full interest on the amount involved in the group settlement undertaking. The original agreement covered a period of five years, but the Premier secured its extension to 10 years. Under that arrangement, the Imperial Government, the Federal Government and the State Government were each to pay one-third of the interest.

Mr. Latham: We have not reached the 10-year stage yet.

Mr. MARSHALL: I think it is about 12 years since the Group Settlement Scheme was inaugurated.

Mr. Latham: But it is not 10 years since the signatures were attached to the first agreement.

Mr. MARSHALL: Then the amount of the interest the State has to pay is astounding. I think the Minister for Lands stated the other night that the interest bill represented £400,000 on the money borrowed for group settlement purposes alone.

Mr. Hawke: That money was made available over a term of years.

Mr. MARSHALL: I am aware of that. I do not want the member for Northam (Mr. Hawke) to tell me that; I was in Parliament when the scheme was inaugurated and have

watched its progress ever since. After the 10-year period has elapsed, we shall have to pay the full 5 per cent. interest. I do not know whether the £400,000 referred to by the Minister for Lands represents the full interest at 5 per cent., or whether it represents the State's one-third proportion of that rate. No doubt as the discussion of the Estimates progresses we shall be informed, but accepting it as the full five per cent., we have the spectacle of all that huge burden of interest for one section of our primary producers. And we have to borrow yet more money to assist them to remain on their blocks, although the taxpayers have to find half a million pounds per annum for interest on the original borrowing. So we borrow money in order that we might pay interest. The position is such that if we cannot live upon the moneys secured by way of taxation, or if we cannot bring about some change in the monetary system, we are heading for a big smash. I differ from the member for Guildford-Midland (Hon. W. D. Johnson) in regard to unification; I do not think the catastrophe will be one of unification, for I am afraid it will be one of violent revolution. For years past the labourers in this State have lived under a condition of depression, being buoyed up with the hope of a financial recovery. For the last three years they have lived in the hope that they will be returned to that standard of living which was approximately conformable to human requirements. But if we are to judge the position from the progress being made, we are not getting to that stage of prosperity where we shall be able to give employment to our people and return to them an acceptable standard of living. Instead of that, we are merely heaping up a burden of financial obligations which must cause the people to revolt. It is not logical to think that people will forever tolerate ill-feeding and ill-housing on the one hand, while on the other there have never been any serious overtures made to call upon the bondholders to disgorge some of the huge amount of wealth they take out of the country in the way of interest payments. Two years ago we were promised that Mr. S. M. Bruce on behalf of the Federal Government would negotiate with the bondholders abroad with a view to bringing about a reduction of interest. I admit that on one occasion such a conference met, but, although 18 months have passed, nothing has been heard of the out-

come of that conference, and we are still paying interest in full.

The Premier: The only Government in the world still paying a high rate of interest.

Mr. MARSHALL: Yes, and we are called upon to continue it. No one would mind if the country could afford to pay the interest and still give its people a decent standard of living. Many men who fought in defence of this country, and who if called upon would have sacrificed their lives, had the good fortune to return. Yet they stalk about this land, unable to secure even work. They were promised that if they went to the war they would never have to work again, notwithstanding which they are prepared to work and labour in the interests of this country. But even that is denied them, while the hook-nosed Shylocks abroad still demand their pound of flesh. It is not reasonable to expect that the people of this country will for all time tolerate the existing conditions while they know there is full and plenty of the good things of life which, if justice were done them, they would be supplied with. So I think the Premier of this State might well initiate at the next Premiers' Conference a debate on monetary reform. It would be some encouragement to know that the statesmen of the Commonwealth in conference were prepared to tackle this problem, for those exercising influence in money matters have no hesitation in extracting the last pound of flesh out of the people to-day. The Premier of this State would be justified in challenging the other Premiers to such a debate, for there is no one in the Commonwealth more capable of holding his own in debate. I am sorry it was not done at the last Premiers' Conference. It was principally to express my regret on that score that I rose tonight, and I hope the Premier will not fail when next he attends the Premiers' Conference, and that he will speak pretty plainly even to those who believe in the present monetary system, for he is in possession of all the facts and he is highly capable of placing facts before any audience, facts as to the iniquity of the unjust distribution of the good things of life.

The Premier: At the last conference we argued very strongly for a reduction of oversea interest, but it was on that point only.

Mr. MARSHALL: As I said before, if by borrowing money we were working to-

wards a point where, by the expenditure of that money, we would reach prosperity, it might be satisfactory. But we are not doing that; we are merely borrowing and spending, and then we borrow again to pay the interest on the money we borrowed earlier. That is our position, and we are getting nowhere, other than heaping up heavy financial obligations which the unborn of the Commonwealth must duly shoulder or revolt against. Which they will do I do not know, but history teaches that people will not be for all time satisfied with the state they are in to-day. When men see their wives and children in want after exhibiting patience for years, it is only natural that they should say the conditions must cease. I hope steps will be taken and that constitutional means will be adopted immediately with a view to evolving some system, some medium of exchange that will in the distribution of good things be far more equitable; and I hope that no lives will be lost in the process. But it has to be done. It is not encouraging to tackle this problem, for we have seen the fate of Mr. Lang, who in regard to interest payments was the most outspoken man in the Commonwealth. Mr. Lang was never what he was written down to be; he never advocated repudiation; all he advocated was the leaving in abeyance of interest payments until he had fed his people. But it was claimed by the Press, which in turn is controlled by money power, that he was advocating repudiation. Surely if we owe a debt, and if our financial circumstances are so bad—and God knows they are bad enough to-day—that we cannot pay the interest, and we ask that the payments be left in abeyance until we can so adjust our finances as to be able to pay, it is an honourable attitude to adopt. But Mr. Lang was said to be an advocate of repudiation because he advocated abeyance of taxation by the bondholders abroad. The most remarkable feature of the episode was that no sooner had the Press and that section of the public which was opposed to him, finished their attack on Mr. Lang, than Mr. Bruce left for England to advocate the self-same thing. He was delegated for the purpose. Yet nobody has seen Mr. Bruce written down as one advocating repudiation. Mr. Lang, of course, was pictured by the Press and those opposed to him as being one of the greatest scoundrels ever known in the public life of New South Wales. I venture to say that since his defeat at the last elections

the people are very sorry for that defeat, and I suggest that he will come back stronger than ever from the next elections. Any person who has the courage to stand up and advocate reform—to which of course money power is always opposed—must naturally be written down as of bad type. His activities and utterances must be disparaged on all occasions, for reform is something that money power never wants. The condition of master and slave, beloved by money power, still prevails and is as keenly desired to-day as ever it was. Only a few weeks ago we had some organisation celebrating the centenary of the emancipation of slaves. Actually, in a scientific way there is more slavery in existence to-day than ever before, and the cruelty exhibited in its conduct is worse than the brutal methods in vogue in the slave pens of America 100 years ago. The slave-owner in those days, in order to get service from the slaves, fed, housed and clothed them well, but the same cannot be said of the slaves of to-day. People are paid quite inadequately to supply their own requirements. The individual feels that he is a free man and not a slave. Actually he is a slave to the system, and on the whole he does not get as good treatment as it did the slaves in days gone by. I am hopeful that the Premier will do something to try to bring about reform that will relieve the position in regard to the unemployed and enable the State to benefit by the annual production of wealth, instead of leaving a few to enjoy the benefits to the detriment of the many. It has come to be recognised that the State should be responsible for the employment of those who find themselves out of work. There was a time when that idea was not accepted, but to-day it is a recognised fact. All those who find themselves unemployed approach the Government—and rightly so—and say, "We have been displaced from industry through the advent of science and machinery and are no longer wanted; you must employ us." That position is accepted because people really believe that the Governments or Parliaments control the finances. Nothing could be further from the truth. Any Premier, no matter what his political creed, would not enjoy seeing a man out of work, but so long as we remain inactive and permit the existing system to continue, so long will our people remain in poverty and misery and have to ask the Government for food,

housing and clothing when the Government cannot employ them. It is not economically possible for the Government to employ everybody and, as the Premier said some years ago, to do so would be economically unsound. If our Premier to-morrow announced that in a month there would be no unemployed in the State, he would have to be prepared to employ all the workless in the world because, as fast as trains and ships could bring them, they would trail in from other countries because of the Premier's announcement that he would find work for everybody. It is possible for the Premier, however, to initiate a discussion on the monetary system. We are well aware that the monetary system has been in vogue for centuries and that its ramifications are world-wide. The argument advanced by the Premier is that this is not a State matter. That is true, but when we approach the Commonwealth Government, they reply, "It may be our responsibility, but this is a world matter and we cannot act unless the whole world will act with us." Unless some State or country takes the initiative and starts the ball rolling, the problem will never be courageously attacked and we shall for all time labour under the oppressive and objectionable conditions that now prevail. People imagine that the Premier and the Government have full control of the affairs of the State, and the papers publish statements to a similar effect. The Constitution of the State, however, prevents the Premier and the Government from giving effect to their policy. This House is but one section of the legislature; there is another House to be encountered.

Mr. Wansbrough: Pretty savage, too, at times!

Mr. MARSHALL: During the war many people waved little Union Jacks made in Japan, and were very insistent in reminding the people of the democratic Constitution under which they lived—the free-est in the world. Yet scores of the men who fought in defence of the country have not a vote for the other branch of the legislature.

The Premier: They have not a vote in the country for which they fought.

Mr. MARSHALL: That is so, and it is argued that this is a democratic country! How can it be designated a democratic country when 60,000 people can dictate the legislation to govern 220,000? Another place has

gone further; its members are now attempting to interfere with the financial policy of the Government. They would make it utterly impossible for any Government to remain in office unless it held ideas in accord with theirs. The people generally do not know or appreciate that fact. They imagine that the Government have power to do almost anything.

Member: Is it not a non-party House?

Mr. MARSHALL: It is, but it has party instincts acutely developed.

The Premier: A Japanese, if he owned property, would have a vote.

Mr. MARSHALL: That is so, but a soldier who fought for the country who owns no property and pays no rent has no vote. The qualification for electors of another place is full of anomalies. There is nothing logical, fair or just about it. We should challenge the right of another place to interfere with the progress of the State or with the policy of the Government sent here to represent the people as a whole. We should tell those who represent broad acres and bricks and mortar that people are to be considered before property. The Constitution hampers the Government and requires things that ought not to be asked. I refer to the appointment of Governors.

Mr. McDonald: Give us something new.

Mr. MARSHALL: New or old, I intend to say what I would do if I were Premier. I would resent such interference and would adopt means to give effect to my resentment. Probably it would be considered drastic action. Under the Constitution, the Imperial Government can appoint Governors and probably compel the Government of the State to pay the salary, but the Government could not be compelled to house the Governor or provide him with luxuries. I should refuse to concede those things, more particularly while the country was suffering from the depression. If I asked the Premier to provide a few hundred pounds for legitimate work to absorb some of the unemployed, it would be impossible for him to accede to the request because of the lack of funds, and yet he has to find thousands of pounds to pay for the luxury of having a Governor. I would not feel so hostile if the State received service in return for

the money paid. I have frequently protested in this Chamber against the expense. It is almost a scandal that such appointments should be made, thrusting heavy liabilities upon us just to have a representative of the King to open a dog show one day, to give a garden party the next, and to go out killing butterflies the next. I do not wish to be misunderstood. I hope the present Lieut.-Governor will not imagine that I have spoken in this strain because of his appointment.

Mr. McLarty: He would not.

Mr. MARSHALL: No, because he was present on more than one occasion when I made similar remarks. I have never been able to get a satisfactory explanation of the actual value there is in the service of a Governor to the State. No one has attempted to justify the appointment of a Governor and the expenditure necessary. It is utterly impossible to do so. We do not get value for our money. Next session the Premier could give some consideration to the very urgent necessity of making one or two alterations to the Constitution. That would indicate to the people he intended to fight these questions, and that his Government were not going to stand for them. If he does that he will accomplish something. I hope this State will experience a year of prosperity. Wool is now at a reasonable price, which is a blessing to Western Australia. I trust that our wheat producers, and those who are engaged in other forms of primary production, will experience much the same thing that is being experienced by those engaged in the gold-mining industry, that prices will reach a level sufficient to compensate them for the labour involved in their enterprises. I hope that with 12 months more of the present Administration we shall find Western Australia in a more prosperous condition than it appears to be in at the moment. Unless we can overcome the difficulty of the monetary system and revise it in some way, I do not see how we can make much progress. I hope I am mistaken in this. For the sake of the welfare of the people of this State, and the peace of mind of those who have taken on the responsibility of administering the affairs of State, I hope that prosperity will return to us, and that we shall enjoy happier days than we have experienced in the past.

MR. WELSH (Pilbara) [9.18]: I should like to refer to the condition of the roads in the North-West, particularly those in the Pilbara electorate. There are hundreds of miles of road leading out to different portions of the district, and these are used by the settlers to convey their produce to the seaboard. The road boards have not sufficient revenue with which to maintain these roads in proper condition. Very often the settlers have to repair parts of the roads themselves in order to get their produce through. All these tracks lead either to a port or the head of the railway. Quite recently the present Government gave a grant to the different road boards for road maintenance. The grants were very acceptable, and were the means of a number of unemployed persons being provided with work. The Government, of course, are hard put to it to find money for these grants, but when the financial position does improve, I hope it will be possible to renew them in the North-West. I would also like the Government to extend to the Pilbara district the prospecting scheme inaugurated by the Minister for Mines to help the unemployed there. Most of those men are practical miners, and would gladly avail themselves of the opportunity to go prospecting. There is a large belt of auriferous country in the district that is worth while prospecting. The scheme has been of considerable advantage to men who have been battling for a living and has given them a chance of getting something more than a mere existence. The mining industry is certainly on the up grade in my electorate. I hope this money will continue to be made available, so that prospecting may be continued there. I was glad to see that the Minister controlling State shipping had reduced freights on the North-West coast for various commodities, such as fencing material, cement, etc. These reductions were most acceptable. Without wishing to appear greedy I hope this is a forerunner of other acts of practical sympathy to be shown by the present Administration towards the North-West.

This concluded the general debate.

Vote put and passed.

Vote—Legislative Assembly, £2,356:

Hon. W. D. JOHNSON: So that members may appreciate that we are now getting on to the expenditure in detail, I should

like to say that the general administration of the House is creditable to His Honour the Speaker and the staff itself. The activities of the staff are as great as they ever have been. Generally speaking the young men who are serving members are doing so in a manner to make our work as comfortable and convenient as possible. I speak as one who gives them a great deal of trouble at various times, and does a tremendous amount of telephoning.

The PREMIER: I do not wish to interrupt the hon. member, but so that we may know where we are, I suggest it is not open for him to make a general speech on this Vote.

The CHAIRMAN: That is so. I understand the hon. member is going to say something about the messengers.

The PREMIER: That is different from making a general speech on the Vote.

The CHAIRMAN: The hon. member would not be in order, when discussing this Vote, in making a general speech.

Hon. W. D. JOHNSON: I thank you, Sir, for the latitude you have given me. I have done what I wanted to do: given members time in which to get ready.

Vote put and passed.

Votes—Joint House Committee, £3,803; Joint Printing Committee, £3,862; Joint Library Committee, £250; Premiers' Department £11,641—agreed to.

Vote—Governor's Establishment, £1,634:

Item—Cleaning, £120.

Hon. W. D. JOHNSON: I should like to have some information on this point. I do not know whether Government House is fully occupied now, but I would like to know whether this is expenditure that will be incurred during the occupancy of the premises by the Lieut.-Governor, or whether it is a figure put down because the actual expenditure could not at the time be calculated. Last year a similar amount was put on the Estimates for similar work. Can the Premier state definitely that £120 will be the total expenditure for cleaning? I am worried about this Government House affair. We have so little control that unless the Government are very keen we shall be building up the expenditure so that members will be sorry when they come to face the electors again. We shall have to give an

account of all this. My experience of Government House expenditure is that unless we keep a tight rein upon it, it becomes enormous. I thought we had abolished it for ever, but it is back with us again. What can we expect in regard to the expenditure there?

Mr. WANSBROUGH: The establishment is becoming dilapidated. Possibly this item may deal also with painting. Unless something is done in that way soon, the work will cost far more than £120 later on.

The PREMIER: None of this money will be spent on painting or renovations; it is for cleaning only. Although £120 was expended last year when the building was not occupied, and although the building is occupied now, and will be for the remainder of the year, the expenditure will be no greater than it was last year. This is the amount which has been set down for several years past for cleaning. Other expenses that will be incurred now that the building is occupied will be borne by the Lieut.-Governor and not by the State.

Hon. W. D. JOHNSON: Out of the £4,000?

The PREMIER: He is not getting £4,000. I cannot discuss that matter on this Item. Although the salary under the Constitution is £4,000, the Lieut.-Governor is only entitled to draw half that.

Vote put and passed.

Vote—Executive Council, £5:

Hon. N. KEENAN: What does this £5 represent? It seems an extraordinarily small sum.

The PREMIER: It is the normal amount that is put down for stationery, binding, etc., associated with the Executive Council.

Vote put and passed.

Vote—London Agency, £9,163:

Item, Agent General, £1,550:

Hon. W. D. JOHNSON: I raised a question on this subject during the general discussion. The salary is substantial, and expenses have increased. What really are the Agent General's functions to-day? It is not now possible to deal with State finances through the Agent General. The actual work is done through the central authority, the High Commissioner's office. No Agent General ever has been an over-worked man. It is a decent job, a cushy job, into which lucky

people fall. The occupants of the office are bound to magnify its importance. From the social aspect the Agent General is said to be an asset to Western Australian visitors to London, such visitors as the Premier and the Leader of the Opposition.

Mr. Latham: None of the State's money was ever spent on me in London.

Hon. W. D. JOHNSON: The social side no doubt is important and appealing, but we cannot afford to maintain that style. When Sir Hal Colebatch's term expires, the office should be abolished. The next holder should be one who favours abolition of the office, and will give it a decent burial. The new appointment should be made on that understanding. Here is an economy within the scope of the State Government.

Mr. THORN: I disagree with the member for Guildford-Midland. The hon. member spoke earlier this evening in favour of controlled marketing. The Agent General assists in that, and furthers the trade in Western Australian products. The hon. member also spoke against unification this evening, but now shows a desire to hand over Western Australia's affairs to the High Commissioner.

Hon. W. D. JOHNSON: The Agent General plays no part in the marketing of Western Australian products. When Mr. Angwin was Agent General, I had one or two informative letters from him in regard to Russian wheat and so on. Being closely associated with the sale of Western Australian wheat, I can say that only a very special case would be submitted to the Agent General. I do not want to discount what is done in the matter of functions, but the Agent General's chief opportunities for usefulness are gone.

Mr. Thorn: I do not like the idea of handing over Western Australia's affairs to the High Commissioner.

Mr. LATHAM: It is a pity the member for Guildford-Midland has not visited London. Had he done so, he would know that social functions play the smallest part in the office of the Agent General.

The Premier: One could not imagine Mr. Angwin doing nothing but attend social functions.

Mr. LATHAM: Certainly not.

The Premier: The Agent General has a great deal to do with marketing.

Mr. LATHAM: Certainly. As regards the pearling industry the Agent General ob-

tained reliable information for us from London and, through the British Ambassador in America, from the United States. The Treasurer, I believe, knows that the annual value of the Agent General's work is much greater than the total annual cost of the office. For instance, the Agent General's services will be utilised to obtain bona fide tenders for the machinery required at the East Perth power house.

The Premier: Yes. I was about to mention that.

Mr. LATHAM: The Agent General is able to secure information indirectly.

The PREMIER: On this question I entirely disagree with the views expressed by the member for Guildford-Midland. Under no circumstances would I agree to the abolition of the London Agency. We should then be at the mercy of the High Commissioner's office.

Mr. Latham: As we were in connection with the immigration business. It was very unsatisfactory.

The PREMIER: The Agency General is not a social institution by any means. I have had considerable experience of the London Agency while I have been in office here, and I had three months' experience of the agency while in London during which time the Agent General was not idle for one moment. There are streams of callers every day inquiring about Western Australia's land settlement, mining, pearling and so forth. That information can be supplied only by the Agent General's office. If one goes over to the High Commissioner's office, as I did, being unknown there, and asks for information, one cannot get it at all. At the High Commissioner's office they simply do not know anything about Western Australia. One can get information there about Victoria and New South Wales, but not about Western Australia. The London Agency plays a part in the marketing of our products. During the time I was in London a shipment of Western Australian apples, totalling 40,000 cases, arrived, and the next morning I was at Covent Garden market with the Agent General. There were innumerable inquiries about our apples—where they came from, the possibilities of the apple-growing industry in Western Australia, and so forth: and for days following the sale of those 40,000 cases numbers of people came into the London Agency seeking information with regard to this State

and the possibilities of settling here—among them people with money. The Government will most likely be calling for tenders for requirements at the East Perth power house shortly, involving an expenditure of about £250,000. There, again, the Agent General, being on the spot, will assist and advise us. The State is purchasing something in London nearly every week, and the Agent General assists us to get a fair deal as regards quotations and tenders. Instead of firms putting their heads together in submitting quotations, the Agent General looks after our interests. In a hundred and one different ways the Agent General does good work for this State. It will be a bad day for any State when it centres its work in the High Commissioner's office.

Mr. Latham: We have no representation there.

The PREMIER: The High Commissioner's office deals only with Australia as a whole, not with any particular State. All the States have found by experience that it is wise to maintain a London Agency. If I were to abolish any office, it would be the High Commissioner's office. That is a social centre. It has a magnificent building in the Strand.

Mr. Latham: There is even a picture show on the premises.

The PREMIER: Yes, in the basement. It is the favourite resort of London deadbeats for a sleep in the afternoon. At least, I found it so; that has been my experience. I went through the great main hall where there are exhibits of Australian produce. I do not think there was one among the men and girls in charge who was an Australian. I questioned them about various matters and they knew nothing. They handed me a few out-of-date pamphlets. If there is any place in London where you cannot get any real information about Australia, it is at the High Commissioner's office.

Mr. Thorn: Quite right!

The PREMIER: On the other hand, if one goes to the London Agencies of the various State Governments, the position is quite different. Queensland has a very fine office with a great display in the window fronting the street. Our building is a fine one, too, and our window display also attracts crowds of people on the footpath. There is always a constant stream of people making inquiries and the Agent General is kept busy supplying information. The

State Agencies do the work for the States alone, whereas the Commonwealth office does not bother about that phase. It would be a very ill-advised step to abolish the London Agency.

Vote put and passed.

Votes—Public Service Commissioner, £1,231; Government Motor Car Service, £2,115—agreed to.

Vote—Printing, £19,131:

Mr. MARSHALL: When the State Savings Bank was unfortunately transferred to the Commonwealth Bank, an agreement was arrived at that the Savings Bank printing would be retained to the State. Has that arrangement been carried out by the Commonwealth?

Mr. Latham: We got £26,500 from the Commonwealth last year.

Mr. MARSHALL: I hope the Premier will see that we do not lose that work.

The PREMIER: I cannot say definitely, but I know that considerable correspondence has taken place between the Government and the Commonwealth with regard to printing. Some of that formerly done in the State has been transferred to the Eastern States, where they have the facilities and the work can be done more cheaply on a wholesale scale. We have endeavoured to retain to the State the printing that was formerly done here, but the Commonwealth authorities have refused to do that for the reason I have indicated.

Mr. MARSHALL: The member for York, perhaps unwittingly, has misinterpreted the position. The revenue he referred to represents returns under all headings and includes any money received from the Commonwealth.

Mr. Latham: I took it to refer to the Commonwealth as it is mentioned first and therefore was, I thought, the most important part.

Mr. MARSHALL: It refers to the whole of the revenue. It would be unfair to allow the Commonwealth Government to break their promise to the State and I hope the Premier will take the matter up.

The Premier: We are trying to do something, but much of the printing is being done in the East.

Vote put and passed.

Vote—Tourist Bureau, £1,673:

Item, Director, £384:

Mr. SAMPSON: I desire to refer to the possibilities regarding tours of central Australia. I am pleased to note the improvement that has taken place in the housing of the Tourist Bureau and the attractive display that has been made there. Recently I travelled through central Australia and I believe that if the Tourist Bureau endeavoured to organise Australian tours from Perth to Quorn and thence from Alice Springs to Darwin, returning thence by the M.V. "Koolinda," a fair traffic would be ensured. I suggest that the tours should be organised from both ends, tourists being encouraged to travel from Perth to Darwin by the "Koolinda" and thence overland, and from Perth to Quorn, Alice Springs to Darwin, and down the coast by the "Koolinda." Arrangements might be made with the Federal Government for special fares and also on the State vessels, and it would be possible to enter into an arrangement with the Commonwealth mail-man, who drives the motor bus overland, to participate in the scheme. That would give people an opportunity to see parts of Australia seldom visited. I have discussed this matter with the Director and he views it with favour. Many people consider that the Tourist Bureau is capable of much development, but I have no desire to offer any destructive criticism in view of the improvements that have been installed recently. I hope every advantage will be taken to encourage tourists to visit Western Australian beauty spots.

Mr. LATHAM: The Director is in receipt of a very small salary. He receives £384 a year and he has two clerks who receive £380. Yet the Director has to carry the responsibility. He is a very capable officer and has done a great deal to advertise the State. Is it not possible to take that matter up with the Public Service Commissioner?

The PREMIER: It will be realised that it is a matter of classification by the Public Service Commissioner, in which the Government have no say whatever. Although I may hold similar views to that of the hon. member, it would be rather difficult for me to suggest to the Public Service Commissioner what the salary of an officer should be, although it does seem low in this instance.

Vote put and passed.

Vote—Literary and Scientific Grants, etc., £8,690—agreed to.

Vote—Fisheries, £3,651:

Item, Upkeep of Boats, £300:

Mr. McLARTY: The fisheries inspector, who has to supervise the Murray and Harvey Estuaries, has at his disposal a fishing boat that fills rapidly when he takes it out. He has to cover a large expanse of water that, being in close proximity to the metropolitan area, is one of the main fishing grounds of the State. Much illicit netting is going on and there is a danger of the waters being depleted, particularly as it is a vast spawning ground.

The Premier: I have approved of the purchase of a new boat for the fisheries inspector at Mandurah.

Mr. McLARTY: That is all I desire to know.

Vote put and passed.

Votes—Treasury, £19,897; Audit, £11,091—agreed to.

Vote—Compassionate Allowances, etc., £1,978:

Item, Widow of the late Arthur D. Lobb, Northam Hospital, £100:

Mr. HAWKE: I do not wish to go into the details of this case, except briefly. Mr. Lobb unfortunately met his death at the Northam Hospital through an overdose of a certain drug that had to be administered for an operation. It would be entirely wrong for the Treasury to seek to discharge the whole of the State's responsibility to the widow and her five children by means of one payment of £700. When the fatality occurred, Mr. Huelin, the Secretary of the Department, agreed to make a first payment of £100 and, after that payment had been used up, to review the case when, if the circumstances of the widow and children were found to be worse than they were at the time of the fatality, further consideration would be given to them. I have taken up the matter with Mr. Huelin recently, and he has agreed to go further into it, and, if the circumstances are found to be as I represented to him, to see what further could be done for the widow. I ask that the Premier make investigations so that the full position might be

revealed and Mrs. Lobb and her children receive sufficient assistance if the case warrants it.

The PREMIER: This is described as a final payment. Of course, that is to distinguish it from other payments which are more or less a statutory obligation. I will look into the case, and if it be decided to give further consideration to it the item may be inserted in the next Estimates.

Vote put and passed.

Votes—Government Stores, £11,577; Taxation, £30,900—agreed to.

Vote—Workers' Homes Board, £13,244:

Item, Secretary and Accountant, £480:

Mr. NEEDHAM: I should like to ask the Premier whether there is any prospect of a filip being given to the building of further homes, either in the metropolitan area or in other parts of the State. I wonder whether the Premier could advise us as to the intentions of the Government; whether it is proposed to initiate a scheme whereby additional homes could be erected. One of the troubles we are facing today is that of rent, and I think an effort should be made to increase the number of workers' homes, even if we had to approach the Loan Council for the necessary money. Thus, in a small way we would be helping to solve the problem of economic pressure. I should like to know what prospects there are of our getting more workers' homes.

Mr. MOLONEY: I have been associated with the building trade most of my life, and I know the quality of the homes being erected by the board. They are admirable, and I would urge on the Premier the necessity for augmenting the number at present being built. Workers' homes constitute one of the greatest boons the community has ever had in the way of housing, and to augment the number being built would give a filip to the building trade. If there be any money at all which the Premier can divert in that direction, I hope he will avail himself of it.

Mr. HEGNEY: I should like to know whether any amount has been made available for the erection of skeleton homes on the outskirts of the metropolitan area. Last year through the Employment Department an amount of £65 each was made available for a number of skeleton three-roomed

weatherboard houses. At the present time, when workers are being forced out of their homes, they ought to be given an opportunity to get skeleton houses built, and I think the Premier should if possible make some money available for that purpose. Certain other workers' homes have been built at a cost of £250. They are excellent houses, and many of the workers who at present cannot afford better quality homes at £500 or £600, could afford to acquire homes costing only £250. I have seen some very useful homes erected under the McNess Fund. If the Workers' Homes Board could make available houses of that character, they would be rendering a good service to the workers. In my electorate, both at Belmont Park and on the outskirts of Bayswater, many workers are compelled to live in improvised houses they have built themselves on cheap blocks of land. Mr. Scott, of the Employment Department, has a whole file of applications from workers in the metropolitan area anxious to acquire homes of that character, and I hope the Premier will find it possible to make some money available for that purpose.

Mr. F. C. L. SMITH: I presume the extent of the activities of the Workers' Homes Board is more or less determined by the money made available to the board, but I understand that the sphere of the board's activities is determined by the board itself. Judging by advertisements appearing in the trams, the board have houses available in almost every part of the State, but so far have not extended their activities to the Eastern Goldfields. There has been a crying need for such extension on account of the shortage of houses and the exploitation of rents there. Will the Premier ascertain whether the board will consider the question of extending their activities to the Eastern Goldfields?

The PREMIER: I have discussed the matter with members of the board. This question has cropped up over many years and, although there is a great shortage of homes on the goldfields and as a consequence rents are very high, the board have declined to extend their activities to any of the goldfields. That has been the considered policy of the board from the inception. The sphere of activity is within the discretion of the board, and it is not within the power of the Minister to direct the board to provide homes in any particular district. The board

are working on safe lines. They take the view that the permanence of the mining industry is not assured, and naturally the investment of any considerable amount in mining areas might easily be lost through a collapse of the industry. I am sorry it is so, because of the great need for additional houses on the Eastern Goldfields. However, I have no power to influence the decision of the board. Regarding the question raised by the member for Perth and other members, during the last day or two I have been dealing with the draft of the Loan Estimates, and the question of the amount to be made available this year for the erection of workers' homes has been under consideration. This year I shall provide certainly not less than the amount provided last year. I realise the great need for an increase in the number of homes and will find as much money as the finances will permit. I hope the Loan Estimates will be placed before members in a few weeks' time.

Vote put and passed.

Note—Miscellaneous services, £601,953:

Item—Expenses of repatriation of sundry persons, £600:

Mr. HAWKE: Last year £612 was provided for this purpose. I should like the Premier to explain the object of the item.

The PREMIER: This amount is mainly for repatriating migrants, mostly with families, people who have come out in recent years. They have become a charge on the State, and have received sustenance, and when it is found they are likely to be a charge on the State for a number of years and that we could save money by paying the cost of their repatriation to the Old Country, we do so. Last week I approved of the repatriation of a man, his wife and eight children at a cost of about £200. It was quite certain that the father would never be able to work and it was estimated that the charge on the State by the time the youngest child reached the age of 14 would be about £600.

The Minister for Employment: And a possibility of there being more children.

The PREMIER: The parents were only about 38 years of age, and there were possibilities in that direction. Only when we receive requests and when it works out to the advantage of the State on a commercial basis do we pay repatriation expenses.

Mr. Hawke: They are not sent back against their wishes?

The PREMIER: No, they are repatriated mainly at their own request. We do not suggest that they should return; nor do we force them to go back. If it is better for us to pay their repatriation expenses than to maintain them, we do so.

Mr. Needham: Did those people pay their passages out?

The PREMIER: Some of them may have done so. They are mostly assisted migrants who arrived during the last eight of ten years. Even if they had paid their passages and we found they were likely to become a heavy charge on the State and they desired to return, we would repatriate them. I am afraid this item will be exceeded, because I had approved of it before the case I mentioned came under notice.

Mr. SAMPSON: I was approached by a man who came to the State some years ago with his wife and a family of three. I have been loth to support the idea of returning such people to the Old Country, but the circumstances sometimes justify it. The man in question has been in receipt of sustenance for several years and is at present receiving 35s. a week. He told me that he could not work, and that even if he could, he would not like to. He was several times wounded in the war, and said he could get a light job in the Old Country. The policy of repatriating such people could perhaps be adopted when they were likely to become a serious burden on the State. I was not in favour of such repatriation when you, Mr. Chairman, spoke on the subject some time ago, but my views are changing. This man has already cost the State some hundreds of pounds. From what I can see he will go on costing this money for a long time. His youngest child is under 14. I shall have much pleasure in supplying the Premier with the facts. I agree it would be a paying proposition to get rid of these people. It is disgraceful that they were allowed to come into the State.

The Premier: We can only send them away if they ask to be returned.

Mr. SAMPSON: It is said that this man has been bombarding the Government for many years.

The Premier: He wants to go back?

Mr. SAMPSON: Yes.

The Premier: If it is a payable proposition, we will send him.

Mr. SAMPSON: And I would contribute towards it.

Mr. MOLONEY: I have known of another case for some time which comes within the ambit of a commercial proposition. I have made every effort to secure the repatriation of this person, without success. In view of the assurance of the Premier that he will view these matters from a commercial aspect, I will wait upon his doorstep about this case at the earliest possible moment.

Item, Grant to Empire Parliamentary Association, £200.

Mr. HAWKE: I would like some information concerning this item. I am not a member of the Parliamentary Association.

The Premier: As a member of this House, you are a member of that organisation.

Mr. HAWKE: I should like an assurance that we are justified in passing this item.

The PREMIER: I think so. This organisation was formed some years ago, and consists of members of Parliament throughout the Empire. This has been an annual payment towards the upkeep and expenses of the association. A journal is issued by it and I think every member pays 10s. a year for it. I think we should be linked up with this organisation. There have been occasions when members of this association have gone on a tour of the Old Country. On two occasions a party went from Australia. Under the rules of the association, the selection has been made by the Commonwealth Parliament, and on the last occasion when a visit was made all of the 17 members of the party were Federal members. One of the things we have been striving for is the right of the State Parliaments to nominate some members of the party.

Mr. Latham: I think that has been approved of.

The PREMIER: I think so, too.

Vote put and passed.

Vote—Forests, £11,246—agreed to.

Progress reported.

House adjourned at 10.28 p.m.