

benefit to the State. Then there is the report of the Esperance Lands Commission. Those Commissioners are perfectly honest and capable men, and if they are right in their conclusions we have in the Esperance district a vast area of country likely to be of great value for wheat production. I do not say that I agree with the Commissioners in their findings, but they are capable men and they have made careful inquiries both in this State and in the Eastern States, and they say that splendid crops can be grown on the Esperance land. However, I do not think we would have been justified in building that railway without the thorough investigations made by the Commission, and I believe that even now the proper thing to do is to ask the few settlers in that district to thoroughly test the country. Seeing that we cannot obtain the necessary rails for the line I think it would be well if we bought from the settlers down there, at the price it would be worth if the railway were there, all the wheat they can grow. It could then be taken up to Norseman by motor tractor, the cost of which would be much less than the interest on the railway. I offer that suggestion to the Honorary Minister (Hon. F. E. S. Willmott). I hope that during the coming elections the people will awaken to their responsibility and do their duty at the poll. Of course it is futile to ask that all the electors should go to the poll, for when election day comes round it is found that a great many people are taking no interest whatever in public affairs. I hope that the result of the recent Perth election may be taken as indicative that the people are alive to their responsibilities. If all the people would go to the poll and vote free from party influence, we would have a very much stronger and better Parliament than we have to-day; but they will not do that. Generally speaking the ladies are more interested in politics than are the men. I believe it was a good thing to give the women the vote, and I feel convinced that, election after election, we shall continue to get improved results in consequence of the women's vote. I regard the election of the member for Perth as the people's victory over themselves. They have disregarded party and voted for the man they thought would serve them best. It must be remem-

bered, too, that in the Perth electorate the voters are, to a large extent, working people. I hope that Nelson's message will be remembered when election day comes round. The State will expect every man to do his duty, and it can truthfully be said that the Empire's needs demand that on that day every man shall do his duty. I hope the pessimistic ring that was the dominant note of the Treasurer's speech last night will not influence other hon. members. When one has a good idea one can always get money to carry it out. There never was so much money in Australia as at present, never so much cash in the Australian banks as there is to-day. We may have difficulties, indeed we are here to get over our financial troubles. Whatever happens, the progress of the State must not be retarded. The future of this country depends entirely upon immigration and production. We must have immigrants and settlement and increased production. It might well be said that the future of the State is in the hands of the small landholder.

On motion by Mr. Lambert, debate adjourned.

House adjourned at 10.8 p.m.

Legislative Council,

Thursday, 26th July, 1917.

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

QUESTION—VENEREAL DISEASES, DIAGNOSIS AND TREATMENT.

Hon. J. DUFFELL asked the Colonial Secretary: 1, What facilities have been provided under "The Health Act Amend-

ment Act, 1915," so that adequate and accessible diagnosis and treatment be brought within the reach of all sufferers from venereal disease? 2, What inducements have been given to patients to report and receive suitable instruction, both for their own sakes and for the greater safety of the community? 3, Have any instructions been sent to Local Boards of Health having for their object the enlightenment of the public as to the dangers of these diseases, and the great necessity for patients reporting in the first stages of the disease for treatment? 4, Has any medical officer of the Health Department delivered suitable health lectures to the public? 5, If not, why not?

The COLONIAL SECRETARY replied: 1, The following special provision is being made:—At Perth Public Hospital—(a.) Two new 12-bed wards for in-patients. (b.) The conversion of four rooms to be available for the treatment of out-patients. At Kalgoorlie Hospital—(c.) A new 8-bed ward for male in-patients. (d.) The conversion of an existing ward to give suitable accommodation for out-patient treatment. At Fremantle Hospital—(e.) The erection of a special out-patient department. Items (a) and (b) are practically completed, items (c) and (d) are to be completed by the end of August, and item (e) should be finished before then. At all of these centres the most modern methods of treatment will be followed, and facilities given to medical practitioners who so desire to see these methods in operation. The Department has prepared and issued to all medical practitioners a booklet giving full particulars of these methods, and also directions as to how best to take advantage, in the treatment of these diseases, of the assistance of the Bacteriologist. In addition to the arrangements as above described, at Perth, Kalgoorlie, and Fremantle, free treatment has been available since the inception of the Act, at any Government hospital, or subsidised hospital in the State, or from any District Medical Officer. In order that such may not place any strain upon hospital finances the Public Health Department repays to a hospital the cost of any treatment given. Stocks of the expensive arseno-benzol preparations are maintained by the department, and are distributed to hospitals and D.M.Os. for use

upon their patients. 2, Large quantities of literature have been published and distributed through every available channel with a view to informing the public of the seriousness of venereal disease, and the need for sufferers obtaining prompt and skilled medical attention, and explaining the facilities provided for doing this. Of the principal booklet issued, some 15,000 copies have been sent out. 3, A circular was at an early stage sent to local health authorities, explaining the provisions of the amending Act, and forwarding copies of the booklet issued. The need for public education was stressed, and it was urged that the literature be distributed as widely as possible. 4 and 5, The Commissioner of Public Health has not delivered any public lectures, but by invitation has addressed a number of gatherings on the subject of venereal disease. It is not the function of the Commissioner to indulge in a campaign from the public platform, and as the position of medical officer is vacant, and has been so for some eighteen months, there is no other officer available for such duty; the department welcomes any attempt on the part of public bodies to educate the community on these matters, and will assist in every way possible, believing that in certain directions lectures by responsible non-official persons may do more good than similar utterances by officials whose time and energies are more than fully occupied with administration.

BILL—SUPPLY, £2,226,000.

Standing Orders Suspension.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [4.35]: I move—

That so much of the Standing Orders be suspended as is necessary to enable the Supply Bill to pass through its remaining stages at one sitting.

Question put and passed.

Second Reading.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [4.36] in moving the second reading said: This Supply Bill is intended to cover the expenditure of the State for a period of five months until the end of November. One month of that per-

iod has already elapsed, and it is intended during the remaining four months that the policy of the National Government shall be submitted to the constituencies of the State, and that the new Parliament shall assemble before the period of this Supply Bill is exhausted. I desire to anticipate some of the objections and criticisms that may be lodged against the financial policy of the present Government. I base all my anticipations of these objections on certain remarks which have fallen from hon. members during the course of the debate on the Address-in-reply. I think it well to take this opportunity of endeavouring to remove certain misconceptions that I feel are in the minds not only of certain members of the House but of a good many people in the country generally. Speaking in February of the present year on the Treasury Bonds Deficiency Bill, expressed the opinion that the present unfortunate financial position of Western Australia was due almost entirely to two causes, the first of these being the very heavy increase in the interest and sinking fund charges, due to the expenditure of loan moneys on undertakings that had not proved—whether it was intended that they should so prove or not—directly reproductive, and secondly, that our position was due to the steadily decreasing revenue from Commonwealth sources. I also drew attention on another occasion during last session to the very close relationship that exists between our revenue expenditure and our loan expenditure, and I said at that time that if we were to liken our State to a ship we should find two leaks, one a comparatively small leak, representing money which is probably wastefully expended from Revenue Account and the other a huge and very dangerous gap, representing the enormous sum of money which has been spent from Loan Account without proving of a reproductive character. Although, since the time I made that statement, alterations have occurred in the *personnel* of the Government, I assure the House that the accuracy of the statements has not been affected thereby, nor has my attitude towards the financial position of the State been changed. Towards the close of his very interesting speech on the Address-in-reply yesterday, Mr. Kirwan made two specific statements

with which I propose to deal very briefly, because I think that those statements reflect to a large extent the misconceptions that I have already alluded to, which is in the minds of many people in the State regarding our present financial position. The first statement was that the hon. member would not mind what had happened during last year from the financial point of view if it had not been that, notwithstanding the decreased revenue of £780,000, as compared with the previous year, there had been an increased expenditure of £180,000. The second statement to which I wish to refer is that made by the hon. member in almost the same breath, that during the three years since the war started there had been absolutely no indication of any attempt to economise or to reduce the public expenditure. The hon. member added, I think somewhat gratuitously, that he supposed the Colonial Secretary would make an excuse and explanations for this condition of affairs. I do not propose to do either one or the other, but to show hon. members, and I think even the hon. member who made the statement, that neither of these assertions—not the assertion that our revenue had decreased by £780,000, whilst our expenditure had increased by £180,000, nor the statement that during the three years of the war there has been no attempt to economise or to reduce expenditure—has even a nodding acquaintance with the facts of the position. So far as the first statement is concerned—and it is one which I think hon. members are entitled to some explanation upon before entrusting the Government with Supplies for the succeeding five months—the statement that the revenue of last year had decreased by £780,000, whilst the expenditure had increased by £180,000—I say it is entirely inaccurate. I have reason to suppose that the hon. member has himself by this time discovered the inaccuracy of his statement. As a matter of fact the day succeeding that on which the figures appeared in the *West Australian*, from which the hon. member has drawn his deduction, the Under Treasurer published an exhaustive explanation of the position. I do not intend to weary hon. members by reading that explanation, but would explain the basis of it. The basis of the

statement was this: that consequent upon the passing of the Trading Concerns Act a different method had been adopted between the trading concerns and the Treasury. The past system had been that the whole of the revenue of the trading concerns appeared on the revenue account and the whole of the expenditure of the trading concerns appeared on the Expenditure account. The new system is that the balance only appears. The result was that in the figures for 1915-16 there was included an amount of over £600,000 representing the revenue of the different trading concerns; whereas the corresponding amount for 1916-17 was only £15,000 as against £600,000, representing merely the balance of revenue over expenditure. So that it will be seen at once that the comparison drawn between the two totals is erroneous, and I would suggest to the hon. member in the kindest fashion possible that had he been as anxious to throw light on the very difficult problems with which we are faced, as he was to set up a position detrimental to the late Wilson Administration, he could not have possibly fallen into the error. Let me put it this way. Given a decreased revenue of £780,000 compared to the previous year, and an increased expenditure of £180,000, as compared with the previous year, we have a total drift to the bad of just under a million sterling, and if we have that drift, and a deficit for the year of just under £700,000, I think it will readily be seen that there must have been a surplus of £300,000 in the preceding year. No one knows better than the hon. member, with his long political and journalistic experience, that there was nothing of the kind, and if he had inquired he would have seen that the statement that there was a decrease in the revenue of £780,000 and an increase in the expenditure of £180,000, which he said caused him to take most serious exception to the financing methods of the Wilson Administration, was entirely without foundation. With regard to the other statement, it is one that I think the present Administration, and the Administration of the past 12 months, and indeed the Labour Administration during its last year of office, are entitled to ask that the public should fully understand. We are told

that during the past three years there has been no sign of economy and no decrease of public expenditure. I have alluded to the references I made last session to the close association between revenue expenditure and loan expenditure, and I maintain that no one can pretend to have the slightest grasp of the financial position of Western Australia unless he considers these matters in relation to each other. I would like to direct the attention of hon. members to an article which appeared in the *West Australian* of this morning regarding the financial position of the State to-day as compared with the financial position of 10 years ago. I do not know who the writer of that article is. The article apparently is incomplete and is to be continued. I do not know what conclusions the writer intends to draw, but I do think that the information contained in that article will well repay study by those who wish to understand the financial position of Western Australia. I have not compared the figures with the official records for the purpose of finding out whether they are exact or not, but my acquaintance with the financial position of the State generally enables me to say that so far as I can see they are accurate, and I am sure that many of the suggestions contained in them are very valuable indeed. Mr. Sanderson suggested yesterday that the first step towards the inevitable financial embarrassment of Western Australia was taken when this State entered into Federation. I am inclined to agree with the hon. member, and having been to some extent associated with him prior to federation, I cannot help expressing, even at this late hour, my deep regret that the splendid and comprehensive reviews of the probable financial position of Western Australia after federation, compiled and published from time to time by Mr. Sanderson, did not impress the people of Western Australia more strongly than was evidenced by the result of the Federal referendum. One consequence of the steadily declining revenue from Federal sources has been this: There has been a completely altered system regarding what should be considered loan expenditure and what should be considered revenue expenditure. It was the boast of Sir John Forrest that with the exception

of a comparatively small sum wisely spent in the encouragement of immigration, practically the whole of the loan money of Western Australia had been expended on directly reproductive undertakings. Subsequent Treasurers have not followed this example because they have not had full control of the financial position on account of a steadily decreasing revenue, and they have been compelled to borrow money for undertakings which might previously have been constructed out of revenue. This extends from the time when one Premier—I do not know whether he was a Liberal or a Labour Premier—employed a considerable sum from loan money in the construction of the rabbit-proof fence. If we take more recent instances, we find a complete alteration in the general principle. The old principle was that loan money must be expended on directly reproductive undertakings, the new principle has been that if the expenditure is of a permanent character it has been made from loan funds though the work has not been reproductive. Let me quote as an instance a matter often referred to in this House—the Wooroloo Sanatorium. It could never be contended that that would be regarded as a reproductive undertaking, but it was considered justifiable to construct that work out of loan money, and it was built out of loan money, and in fact during recent years, largely because of the operation of that element that Mr. Sanderson referred to, our decreasing revenue from Federal sources, it would have been difficult to obtain money out of revenue. I am using these figures to emphasise the point I have frequently made, that it is idle to base criticism on the finances of Western Australia merely on the revenue returns which are published. Unless we take into consideration the loan expenditure as well, we only get one half of the story. What is the position in regard to loan expenditure? For the year 1912-13, a couple of years before the outbreak of war, the loan expenditure reached the enormous total of £3,409,217. In the following year, the last complete financial year before the war, it totalled £2,913,010. and for the year 1914-15, the first year of the war period, it was £2,528,607. For the year 1915-16 it was

£1,584,642, and for the last financial year there has been a further decrease of over three-quarters of a million, the figures being £855,192. I would anticipate the retort that probably the Government did not spend more money because it did not have it to spend. That, however, is not the point. The point I wish to make is that when our loan expenditure and our revenue expenditure are so closely associated with each other that in many cases there is room for difference of opinion as to whether certain undertakings should be debited to loan or debited to revenue, we cannot consider the one without the other, and when we find, as compared with the pre-war period, that there has been an actual reduction of expenditure of two millions per annum, it is inaccurate to say that there is no evidence of reduced expenditure because of the war. There can be no doubt that had loan moneys been available to the same extent as previously, the revenue expenditure might have been curtailed in many directions. When we have to curtail our loan expenditure by two millions sterling per annum, it is not easy at the same time to cut down revenue expenditure as well. I stress this point because I think that, consequent upon the monthly publication of the returns of revenue and expenditure, and because the returns of loan expenditure are never published except in papers given to the House, and from time to time in the Press, the public bases the whole of its acquaintance regarding the financial position on the revenue account figures. The Government are charged with spending the same amount of money as was expended before the war, when, as a matter of fact there has been a decrease of two millions per annum on the loan expenditure. I do not propose to deal at length with the questions of economy and taxation, because I feel there is little that I can add to my previous statements. The Government recognise the necessity—and a good deal has already been done without making a fuss about it—for the reorganisation of departments, the cutting down of surplus departments and other work which it is believed will result in smaller expenditure, but I would like to remind hon. members that the fruits of econo-

mies of this kind cannot possibly be reaped in the first year, or even in the second year. Our Public Service Act in itself would prevent any Government, no matter what their inclinations may be, from drastically retrenching, and personally I think it is a good thing that we have that Act in existence. It may have its defects, but it prevents abuses that would be likely to arise if Ministers were free to do what they liked with the public service. We do not want to see here what has happened in other places, namely, a complete change of officers throughout the service with every change of Government. We do not want it to be suggested that the political opinions of the Ministers are necessarily reflected in the officers of the State, and for that reason it is a good thing that we have a Public Service Act. But having it, we have to recognise that the operations of the Government in the direction of economy under that Act must be slow to bear fruit, and even were that not the case it is not the purpose of the present Government to carry out economies excepting with a strict regard to justice to the members of the civil service. Nor is it the intention of the Government to carry out economies at the expense of the public, that is to say, in cutting down facilities which we believe it is the duty of the Government to afford to the people of the State. In the article in the *West Australian* to which I have alluded, reference is made to the fact that during the past 10 years there has been an increase of £200,000 in what may be termed expenditure for the mental, moral, and social improvement of the people, such as increased outlay on education, medical, health, charity, and lunacy services and other expenditure of that kind. I agree with the view of the writer that whilst these things are very excellent and necessary the taxpayers must realise that they have to pay for them. The same article points out that there has been very little increase in direct taxation during the past 10 years, and that it is the opinion of the Government that there is room for increased taxation. It is not intended, either by drastic retrenchment or by a policy of high taxation which would effect a transfer to the Treasury of a lot of money which we believe is better employed by private people in the de-

velopment of the industries of the State, to wipe out the difference between the revenue and expenditure in one year. We do not think in our present circumstances with 30,000 of our best producers engaged in the war, that it would be wise, if it were possible, for the Government to square the ledger by those drastic processes; consequently the policy of the Government, as I said some time ago, is to economise by cutting out waste.

Hon. J. W. Kirwan: Is it the same as the policy of the last Government?

The COLONIAL SECRETARY: It is the same as the policy of the last Government in this principle. There may be minor alterations of the policy, but it is my intention this afternoon to place before the electors the financial policy of the Government. I am only speaking on the financial policy and it is the intention of the Government to economise by eliminating waste. That is the financial policy expressed clearly in the speech delivered by His Excellency the Governor and in that speech members may have noticed it is expressly stated that the intention is by saving administrative cost and expenditure, with justice to the service, and by taxation that will not press too heavily on the people, to make good in part the difference between the revenue and expenditure. Hon. members who take an opposite view, who say the Government, by drastic retrenchment and ruthless taxation, should square the ledger absolutely, should bring the expenditure up to the revenue, or the revenue down to the expenditure, are welcome to take that view and state their arguments. The attitude of the present Government is that that is not a practicable method, and if it could be done, it would be unwise in the present circumstances to do it. We say there is room for economy and those economies are being brought into force. We say there is room for increasing taxation and that the Government policy in regard to taxation will be submitted to the electors in the next few months. We hope by these two methods that instead of a deficit of seven hundred thousand pounds, there will be a deficit much smaller. We do not expect to entirely wipe it out and square the ledger in one single year. There is one other matter I desire to refer to and that is

the statement made by Mr. Sanderson in regard to our present difficulties with the Commonwealth Government. That has a very serious bearing not only on the Supply Bill but on the financial position of the State. I refer to the negotiations at present preceding between the State and the Commonwealth. Mr. Sanderson said that in his opinion the Commonwealth Government had treated the State Government in a most reasonable manner. If the hon. member reads the report of the conferences and the correspondence which has taken place—

Hon. A. Sanderson: I said in view of their responsibilities.

The COLONIAL SECRETARY: In view of their responsibilities! If the hon. member peruses the reports of the conferences and the letters which have passed he will come to the conclusion that all the State Government are asking is that each party to an agreement shall keep to its share of the bargain.

Hon. A. Sanderson: The Imperial Government have stopped it.

The COLONIAL SECRETARY: The money which the State borrowed from the Commonwealth—the £3,100,000—and gave Treasury Bills maturing over a period of twelve months for, commencing in December this year and ending in December next year, there was a clear understanding of the nature of the transaction. These Treasury bills were given as a temporary security to be replaced by stocks when the Commonwealth Government were in a position to inform the States as to the exact terms of interest and period. When the States, at the beginning of the war, entered into an agreement with the Commonwealth—the States with the exception of New South Wales—that they would not borrow excepting through the Commonwealth, and the Commonwealth entered into an agreement to finance the loan requirements of the States, it was never contemplated, nor in the nature of things could it be contemplated, that the States could repay any of that loan during the period of the war.

Hon. A. Sanderson: Where is the authority for that statement?

The COLONIAL SECRETARY: On the 8th January, 1916, the Prime Minister

wrote the following letter to the Premier of Western Australia—

In connection with the loan of eighteen million pounds made to the States in pursuance of the agreement dated 5th November, 1914, I have the honour to inform you that—

Hon. A. Sanderson: What is that letter dated—the 6th November?

The COLONIAL SECRETARY: It is dated the 5th November, and this is the matter over which all the disturbance has arisen. It was part of the loan of £18,000,000—of which this State's share was £3,100,000—advanced by the Commonwealth to the different States. I am aware there is a great deal of misunderstanding about this £18,000,000 loan, and the real facts of the case are these:—The Commonwealth Government agreed to borrow from the Imperial Government £18,000,000 to finance the States. The Imperial Government agreed to this. I do not know if they agreed to it as a tentative arrangement or not—I cannot tell. Subsequently the Imperial Government, largely I think in response to criticism and which may have been because of other applications from other Dominions, made this £18,000,000 a war loan to the Federal Government and told the Commonwealth Government to find the money for the States in another way. The Commonwealth Government did find the money in some other way. This is the letter I already commenced to read—

I have the honour to inform you that His Majesty's Government has advised that advances made by the latter up to the 31st March, 1915, were made from the Imperial War Loan of 1914 at 3½ per cent., which was issued at 95 per cent. and is repayable in 1925. All advances made after the 31st March, 1915, were made from a 4½ per cent. loan issued at 99 per cent. and which is repayable 1925-1945. The effective rate of interest to be paid by the Commonwealth on advances made to it by His Majesty's Government after the 31st March, 1915, would appear to be about 4½ per cent. It is considered advisable that during the period of the loan issued by the Commonwealth to the States the latter should continue to pay the Commonwealth at the rate of 4½ per cent.

per cent., an adjustment will afterwards be made when full particulars are ascertained.

To my mind that is conclusive of the contention put forward not only by the Colonial Treasurer of Western Australia, but by the Treasurers of the whole of the States, that the advance was made by the Commonwealth to the States out of the £18,000,000 of which our share was £3,100,000 at the same rate of interest and for the same period as that charged by the Imperial Government to the Federal Government, or what motive could the Prime Minister have had in writing this letter? The bills were given pending the finalising of the terms in regard to interest and period, and in this letter he asks that during the currency of the bills the rate of interest shall be $4\frac{3}{8}$ ths per cent., and that an adjustment shall afterwards be made when the full particulars are ascertained. I quote that more because it is a sort of conclusive piece of evidence on top of piles of other evidence which there is on the matter. I am not making this as an attack on the Federal Treasurer. He was not Treasurer at the time the arrangement was entered into and perhaps is not fully conversant with the whole of the circumstances.

Hon. A. Sanderson: Not fully conversant! Here is his whole statement.

The COLONIAL SECRETARY: One cannot find in that statement many references to the proceedings of the Premiers' conferences. As a matter of fact further correspondence has taken place since between the Treasurer of this State and the Treasurer of the Commonwealth in regard to this matter and personally I have not the slightest doubt, when the whole of the facts are placed before the present Commonwealth Treasurer, as they will be placed before him, that the Commonwealth Government will keep their part of the bargain. What we are asking for is nothing more than what we are entitled to under the arrangement come to with the Commonwealth, and I am sure that the agreement will not be repudiated. I do not intend, therefore, to say what may be necessary for the present Government to do if the agreement is repudiated and we are cast back on our own resources.

Such a contingency was never contemplated by those who entered into the agreement between the Commonwealth and the States at the different conferences to which I have already alluded. I do not know that there is anything further that I need say in moving the second reading of this Bill, but I wish to emphasise this—that whilst the Government fully recognise the seriousness of the position and the obligations cast on them to grapple with it, they are not in any way dismayed. If we contrast the position of Western Australia and the people of Western Australia, with the position of the countries and of the people in many other parts of the world, we shall find abundant cause for present gratitude and for future confidence. The Government feel that the Administration at the present time need to display not only anxiety and care, but also courage and determination to do all in their power to stimulate the people engaged in the industries of the country; only by doing so and inducing people to work harder and create more wealth can we secure for our returning soldiers, when they come back, a country that has in it the elements of progress and prosperity. I move—

That the Bill be now read a second time.

Hon. J. W. KIRWAN (South) [5.15]: The Colonial Secretary made reference to some figures which I gave the House yesterday. I am always extremely careful to be particular in the accuracy of any figures which I present. The figures quoted by me yesterday are figures which were supplied in the official statement of the financial position of the State for the last year, the official financial statement published in the *West Australian* as it was received from the Treasury. These figures are absolutely correct according to Mr. Black, the Under Treasurer. They are exactly as Mr. Black supplied them in that official statement. The next day the *West Australian* published a statement by Mr. Black which I had not read until the Colonial Secretary called my attention to it yesterday. In that statement Mr. Black points out that, whilst the figures officially supplied are perfectly accurate, at the same time they require some explanation as, if they are quoted without explanation, they may possibly create a wrong impression. I

cannot read Mr. Black's statement by this light, but my contention is that the statement in no way affects the argument that I presented to the House yesterday. The actual difference between the revenue for the last year and the revenue for the previous year was something like £780,000, as I stated yesterday. However, as the Colonial Secretary has explained, owing to a rearrangement of the manner in which the State Trading Concerns are dealt with, a comparison between the total revenue for the last year, and the total revenue for the previous year, is not exactly fair unless Mr. Black's explanation is supplied. I find that the actual difference in revenue was something like a quarter of a million.

The Colonial Secretary: The difference was £174,000.

Hon. J. W. KIRWAN: I have Mr. Black's statement—I do not know whether the Colonial Secretary has it—and I will endeavour to quote some figures from it. In one particular matter alone—that of railway revenue—the decrease was £219,000. The decrease in land revenue alone was £51,000. These two amounts alone make a decrease of £270,000.

The Colonial Secretary: There were contemplated increases, which made the net decrease £174,000.

Hon. J. W. KIRWAN: That is not made very plain in this statement of Mr. Black. My contention all through was that with a decrease in revenue—whether that decrease was large or small—it was almost unpardonable for the Government to engage in unnecessary expenditure. That has been my contention all through, and what the amount of fall in revenue was is secondary. If there was any fall at all in the revenue, I claim that for the Government to go on increasing the expenditure was almost unpardonable. I do wish hon. members would get this official statement for themselves, examine it for themselves, and see the details of the increased expenditure. I will mention one or two of the most prominent items. In almost every department increased expenditure will be found. For miscellaneous services under the heading "Colonial Treasurer" the expenditure for 1915-16 was £47,000, and for the last financial year that expenditure rose

to £90,000. The Mines Department expenditure, which was £62,000 during 1915-16, increased to £64,000. Woods and Forests increased £8,000 to £10,000. There was also an increase in the departments of the Minister for Lands and Agriculture. There was also an increase under the heading of the Colonial Secretary's Department. In the case of public works and buildings the increase was from £86,000 to £107,000. I plead with hon. members to take the return for themselves, read through it in detail, and see whether the case I endeavoured to present to this House is correct or not. My contention is that the increased expenditure during the last twelve months in the various departments fully supports the case I presented. That case, which was fairly and accurately presented by me, was that, despite the fall in revenue, there was an increase in expenditure. The Colonial Secretary said I stated yesterday that during the past three years, since the war had broken out, I could not find in the most careful study of the finances any evidence whatsoever of economy.

The Colonial Secretary: Or of reduction of expenditure, you said.

Hon. J. W. KIRWAN: I was dealing entirely with revenue expenditure. We must separate revenue from loan expenditure. The Colonial Secretary comes forward and says, "It is quite true we spent more out of revenue, but we did not spend as much as the previous Government did out of loan." In the first place, their not spending more money out of loan was compulsory. They spent every penny they could out of loan. They got all the loan money they could, and they spent it; and it is an absolutely unpardonable thing that they should have spent £700,000 additional to their revenue. When money is spent out of loan, the assumption, at any rate, is that the expenditure should be reproductive.

The Colonial Secretary: The hon. member is very reckless. He says, £700,000 additional. The amount, quoted correctly, is £180,000.

Hon. J. W. KIRWAN: I am referring to the deficit when I speak of the £700,000. I was referring to the £700,000 which, in excess of ordinary loan expenditure, was

spent on current expenditure over and above revenue. When the Colonial Secretary stands up and says, "We did not spend so much loan money," I reply that when money is spent out of loan it is at least assumed that the expenditure is reproductive. But to what extent is the £700,000 of deficit reproductive? That is simply the ordinary expense of Government, and expenditure on a lot of things which I claim the country does not need. I say the Colonial Secretary's contention rather makes the position worse. I know very well that it is not a popular thing to come forward and advocate economy. I know quite well that, as the Colonial Treasurer states, anybody who now comes forward to advocate economy in the manner he does is looking for crucifixion. He is bound to be condemned in all the moods and tenses by all sections of the community in all parts of the State. My plea yesterday was to ask anybody with a sense of responsibility to support the Treasurer in his efforts to bring about economy. I certainly cannot find any great degree of consistency between the statement of the Colonial Secretary to-day and the statement which I heard the Treasurer make in another place the other evening. The Treasurer spoke out bravely, and said he was not afraid to be unpopular. He certainly is courting unpopularity, and it will be the duty of everybody in this House, including especially those who are associated with the Treasurer in the Ministry, to stand by him. The policy of the last Government was found wanting. There is no doubt that from one end of the country to the other their financial policy was condemned. Yet the Colonial Secretary stands up here and practically implies that the policy of the present Government on finance is identical with the policy of the last Government. If that is so, all I can say is that it is a most deplorable thing. The promises which were made by the present Treasurer will certainly not be fulfilled unless there is a great departure from the financial policy of the last Government. This is a time when, in connection with the State finances, it means a question of either honesty or dishonesty. We cannot distinguish the finances of the State from the finances of a private individual: and when a private individual goes

on spending considerably more than his income we know what is going to happen. A private individual may desire all sorts of luxuries and advantages for himself and his family, but when he goes on spending far beyond his income there cannot possibly be any justification for him when the inevitable day arrives. Why should not the same policy of economy which individuals have to apply to themselves when they find themselves in a tight place apply also to the State? The Colonial Secretary talked about the necessity for assisting the industries of the State. May I make one suggestion to him in that connection? There have been remarks here as to the railway revenue pressing hardly on the settlers of the back blocks, both in the mining districts and in the agricultural districts. One of the first acts of the late Government—I do not condemn them for it: it probably was right—was to bring in a reduction of the rates on fertilisers and other commodities used by the farming community. I do not condemn that act, but I do say that when a loss of £60,000 per annum is entailed to the railway revenue by reason of reduction of the freights on certain commodities, that loss ought to be dealt with in a business way. There should be no attempt to make up for that loss resulting from an act fundamentally intended to assist the agricultural industry, by raising the railway rates throughout the State. If it is necessary to run the railways for developmental purposes, whether to assist the agricultural industry or to assist the mining industry, the loss which the railway system sustains, when estimated on a commercial basis, ought to come out of either an agricultural development vote or a mines development vote, as the case may be. Some people may say that that is a mere bookkeeping item, that, after all, it is the same people who pay. But that is not correct. If a vote which it may be necessary to give to the railways because of their assistance to the agricultural industry or the mining industry comes out of the development votes for the furtherance of those industries, it is the whole of the people who pay. When, however, it is attempted to make good that deficiency by raising the railway rates the money comes out of the pockets of the

users of the railways. If it be necessary to help the mining industry by a reduction of freights, and that reduction is made good by an increase of freights in other directions, it is the users of the railways who have to pay for the assistance to the mining industry. In the same way, when a reduction of freight is necessary in the interests of the agricultural industry and an attempt is made to square the finances of the railways by raising the rates in other directions, the users of the railway have to pay for the assistance to the agricultural industry. That is not fair, because the users of the railway are not the whole people of the State, and I say the whole people of the State should be made to pay when it is necessary to assist any industry in this way. The people in the interior of the State are entirely dependent on the railways, and at present they have to pay the whole of the railway assistance given for the development of industries. It should be paid by the whole people of the State, and the only way by which they can be made to pay is by taking the money out of a development vote. That is one direction in which the Government might certainly assist to put the finances of the State on a commercial basis. It would be fair to the railways and fair to the whole of the community.

Hon. A. SANDERSON (Metropolitan-Suburban) [5.33]: I sympathise with the leader of the House in the difficult position in which he found himself in introducing the Bill. Usually he says but very little. If, on the other hand, he unlocks the sluice-gates of finance, he and the rest of us are swept away. I am now on the brink of the abyss, and I think the Colonial Secretary has been entirely swept away by the flood of figures he let out. I would not have intervened if the Minister had not specifically referred to my statement. The matter which I brought up is of the very greatest importance, and I am only anxious to find out what the position really is. I have not seen all the confidential correspondence that has been scrutinised by the leader of the House, and therefore he speaks with an advantage. But to end up by saying that Sir John Forrest is not conversant with the position—

The Colonial Secretary: That was scarcely my meaning.

Hon. A. SANDERSON: I assure the hon. member that although I am a little deaf and my right hand is not so cunning with shorthand as it once was, I put that down, "Forrest not conversant with the position." The Colonial Secretary certainly criticised in that direction. I want first to get the true position of affairs. What has actually occurred? We know perfectly well that pressure has been put on by the authorities at Home and it is perfectly childish to say, "We made an agreement with the Commonwealth in 1914 and we must keep them up to it." Even assuming that everything the Colonial Secretary has said is correct, it is impossible to take up the attitude that we are going to keep them to the letter of this agreement. We know perfectly well that pressure has been put on by the Imperial Government, and that force of circumstances has put pressure on the Imperial Government. I think we ought to get on public record what has actually occurred, and I cannot see anything more authoritative on the matter than this Commonwealth Parliamentary debate. But apart from all that: assuming for the moment that the Federal Treasurer is not conversant with the position—which seems almost grotesque—and assuming that the Colonial Treasurer gets all that he wants—even then, we know on the showing of the Premier that it can only be for a few months—and assuming that a mistake has been made by the Commonwealth Treasurer and that there is a misunderstanding between the Colonial Treasurer and the Commonwealth Treasurer, and assuming that the Colonial Treasurer pushes the Commonwealth Treasurer to a position where he insists on the Commonwealth sticking to the strictest reading of the original agreement, we may be pretty sure that if we play that game, when we come to make the next agreement we will have a very different proposition to deal with. And on the showing of the Premier, if we get this, we will not get any more, and we will have put the two bodies, Commonwealth and State, in antagonism, which we cannot afford to do. We are paupers on the bounty of the Commonwealth. I will not say any more, for I have no wish to de-

lay the debate. I hope the Treasurer will get his money.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East—in reply) [5.40]: Personally I have no objection to Mr. Sanderson seeing the whole of these files in reference to the transactions between the State and the Commonwealth. It is quite impossible, and I think it could never have been contemplated, that this State should repay to the Commonwealth £3,100,00 during the next calendar year. This is a difference of opinion, not between the Federal Government and Western Australia, but between the Federal Government and the whole of the States and I am convinced that the matter will have to be decided by mutual agreement, that the Federal Government will have to help the States as far as possible, and that on the other hand the States will have to materially cut down their expenses. Coming to the remarks made by Mr. Kirwan, I deny that there is any inconsistency between my utterances and those of the Treasurer. In this connection I would refer the hon. member to the following paragraph in the Governor's Speech—

In view of the financial stringency, my advisers are determined to exercise careful economy in administration, and hope, by amalgamation of offices and the strictest scrutiny of expenditure, to make material savings during the currency of the year. When the measure of these savings has been ascertained, it is the intention of my advisers to introduce equitable taxation proposals to adjust in part the balance between revenue and expenditure. Notwithstanding existing financial difficulties, my advisers realise that it is still their obligation to provide funds to aid the development of the industries of the State, both primary and secondary, in order that the production of wealth may be increased and the prosperity of the State restored.

That is the policy of the Government enunciated by the Treasurer the night before last, and it is the policy I endeavoured to put before the House to-night. I again deny that there is any inconsistency whatever between the Treasurer's remarks and my own. It is my duty, as it is the duty of all other

hon. members—and members of Parliament are sometimes insistent in pressing the requirements of their constituencies—to aid the Treasurer in the great task he has before him.

Question put and passed.

Bill read a second time.

In Committee, etcetera.

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

Bill read a third time and *passed*.

ADDRESS-IN-REPLY.

Fourth Day.

Debate resumed from the previous day.

Hon. V. HAMERSLEY (East) [5.47]: Before referring to the subjects contained in the Address which His Excellency has delivered to us, I wish to express my deep feeling of regret at the loss which this Chamber has sustained in the death of the late Mr. Jenkins and also the late Mr. Cullen. Both were valuable members of this House, which has lost heavily by their removal from our midst. I am pleased to note that in the Speech we are advised that it is the Government's intention before bringing in any fresh taxation proposals to inquire into the savings which can be effected. That has been the attitude taken by this Chamber ever since I have been a member. We have on many occasions had taxation proposals brought before us and this House has been blamed for throwing out those proposals; but that course has been taken because it has invariably occurred that no attempt had been made to bring about those savings which could and should have been effected. We were asked to continue voting sums of money which the people have to pay by way of taxation, when there was no attempt made to show that savings had been effected. The present Government, I think, will meet the wish of every member of this Chamber in that regard, and I am satisfied that savings can be made in various directions. For years past we have had the spectacle of lean and revenue

moneys being expended freely in all directions. Wherever any public works have been in progress money has been distributed like water, and has almost demoralised the centres in which these works were being carried out. Many of us realised that a day of reckoning must come, and that serious taxation would be the order of the day sooner or later. Doubtless the war has brought the matter home to us sooner than anticipated; and it is certain that we are face to face with a serious position now. The discussion which has just been concluded shows how serious the position is, how necessary it is that economies should be effected, and that further taxation must be imposed. It is not easy for one to learn from the Speech what form this taxation will take, but I have no doubt that when the Government meets the electors at the forthcoming election they will give an indication of the direction in which taxation is to be imposed. We in Western Australia have not, I claim, felt the full effects of the war. Not a little of the present extensive trading here is due entirely to the war itself. Commonwealth activities consequent on the war have caused the expenditure of large sums of money in all the States, but Western Australia has not had a great proportion of that money, according to her population. In spite of the fact that Western Australia has shown better results in proportion to population than any of the Eastern States, so far as the number sent to the front is concerned, the same amount of money is not being spent here as elsewhere. We learn from a published statement that the cost of each recruit in Victoria is £4 7s. 9d.; in New South Wales, £1 10s. 4d.; in Queensland, £4 0s. 3d.; in South Australia, £4 3s. 8d.; in Tasmania, £4 3s. 0d.; and in Western Australia, £2 0s. 2d. The money which has been spent in obtaining recruits is expenditure directly attributable to the war; and when the war is over, and this expenditure, as well as those sums of money now being distributed for the upkeep of soldiers' dependents, ceases, a day of reckoning will come. We have seen how difficult it is for the Government to obtain from the Commonwealth Government money which it was promised

would be forthcoming. The explanation just given by the leader of the House shows how great our difficulties in that direction will be. I regret that drastic savings are not to be effected. I think savings should be effected before there is any further taxation. I regret, too, that recent changes in our State Administration have lost us our old friend, Mr. Wilson, and his colleague, Mr. Mitchell. The policy laid down by Mr. Mitchell for the development of our land was, in my opinion, a good one. I believe him to be the man who could carry out that policy more thoroughly and more successfully than any other; and for that reason, as I say, I regret that recent administrative changes have brought about his removal. I wish to offer a few remarks on the position of the reduction in fertiliser freights. That was a wise policy. As one of the representatives of the man on the land, I want to say that I hold that Mr. Mitchell and those associated with him were wise in their policy of introducing low freights for agricultural requirements. Those freights had been unduly increased by their predecessors in office, as a protest against the action of this House in refusing to pass legislation which they submitted for further taxation: they said, "If the Upper House declines to pass this tax, we will hit the man on the land," and they raised the fertiliser rates accordingly. In the circumstances I think Mr. Mitchell's action in returning those rates to normal was a correct one. We might even go further and do as is done in America, reduce those rates to a nominal figure.

Hon. H. Millington: So they are nominal now.

Hon. V. HAMERSLEY: And so they should be. Every farthing those rates are reduced means a saving to the farmer, and it must be remembered that for every cwt. of super which is sent over the railways to the farmer, the State gets a return in the way of increased crop and increased traffic. Of what use is it for the State to employ officials in its Agricultural Department to teach the farmer how to increase his crops by the use of fertilisers, unless the farmer is to be given every opportunity of using fertiliser freely? By a greater use of fertiliser they will get from four to five times its re-

turn in wheat within the ensuing season. Any reduction that can be made by way of cost to the users of fertilisers is going to be returned exactly fourfold its weight to the State railways. This is much the same sort of policy as has been adopted by the Midland Railway Company, which is certainly far in advance of the Government railways. For years past many of the settlers along the Midland railway have been able to work out things on business principles, and to trade successfully. For instance, a settler on the Midland railway line at, say, Mullewa, would be able, if he wished to make a purchase of store sheep, to get a considerable reduction on his freight as against the ordinary rates, though he can get nothing of the kind on the Government railway system, where certain regulations have to be adhered to. On the Midland line men are often persuaded to buy a line of stock because they can get that reduction in freight, and can run their stock away probably 150 to 200 miles. The company gets it all back in the long run, because this stock will be re-freighted when properly fattened up, and the company then gets the benefit of the full freight. If the company did not give that concession in the first instance, it would probably lose both freights, because the transactions would never have been entered into. I take it that is business, and that this question of the reduction of freights on fertilisers is business on the same lines. At all events it is a business which should be encouraged. The Hon. J. Mitchell is one of those people who undoubtedly realised the opportunities he was placing before the farmer, and the benefits that would accrue to the State railways, and we want a little more business of that kind. The discussion which took place this afternoon was very interesting, and the explanation given by the Colonial Secretary very intelligible to the House. A great deal of confusion has arisen from time to time through the manner in which our loan expenditure and revenue have been mixed up together. I quite understand that a great deal of loan moneys has from time to time of recent years been used which, if we had not joined the Federal bond, would have enabled us to present a far better position, and if we had not joined that bond we should have been able to use

our revenue as was done in years gone by. I believe that too much use has been made of the system, and it is very much due to the bolstering up of our ordinary revenue by loan money that has placed us in some of the difficulties we find ourselves in to-day. If the Government can get us out of these difficulties, and speedily, I shall be only too glad to view with favour any of the proposals which they can bring before this Chamber. I have much pleasure in supporting the motion.

Hon. H. CARSON (Central) [6.5]: I understand it is the desire of the Colonial Secretary to have the debate on the motion for the Address-in-reply finished to-night, if possible. Moreover, a most unusual thing has happened in another place, for the Address-in-reply debate has been concluded there. I think that is a good omen, for a very great deal of expense will be saved in the way of printing the discourses of many hon. gentlemen. I first of all desire to congratulate the leader of the House on still maintaining his position in Cabinet, and also to congratulate one of my colleagues on obtaining Ministerial rank. I am glad we have a Government in power at present with a large majority. In the interests of the country I hope they will be returned with a similar majority as a result of the forthcoming general election. The reason for my hope in this respect is that I believe that a Government secure in office can give more attention to the administration of their departments, and that without a stable Government we cannot get good administration. The financial position is indeed a serious one. In company with most hon. members, I recognise that it will be impossible to bring about an adjustment of this position in the very near future. If, however, the Government make an earnest endeavour to straighten our finances and put the country on a satisfactory basis, we shall give them every possible assistance. Not only is there need in Parliament and in the various Government departments for economy, but people in every walk of life should practice the same thing. I am afraid the people of Western Australia do not realise the serious position, and are not doing all they might to husband the resources of the State. We listened yesterday to three very interesting

speeches, and some suggestions were made which may assist the Government in bringing about a better state of affairs. Mr. Dodd made a suggestion that the land tax should be increased and the railway rates reduced. Probably he is on right lines. I think the principle of users of the railways having to pay interest and sinking fund on them is altogether wrong. Mr. Dodd suggested, too, an increased land values tax to make up the deficiency brought about by the reduction of our railway rates. I am inclined to agree with him, but to my mind this land values taxation must be made on a very scientific basis. I am a believer in taxing unused land. It may be very difficult to impose it equitably, but if, as Mr. Dodd suggests, we place a land tax on City and town properties what will be the inevitable result? The producer and the consumer will have to pay all the tax. The landlord will see that the tenant pays an increased rent to make up for his land tax, and the tenant will see that the consumer pays him what he has to pay to his landlord. Mr. Sander-son suggests that our only hope lies in unification. I doubt very much whether this will meet the position. Certainly there is far too much overlapping in Commonwealth and State departments, and much money might be saved by bringing the different departments together. The only hope, to my mind, of placing this country in a better position is by increased population, increased capital, and increased production. Care, too, must be taken of our wealth when it is produced. It is shameful to see, as one sees when travelling through the country, the woeful waste that is brought about by the losses in our wheat stacks. We see in the country huge stacks of wheat situated in the lowest portions of the railway yards, and for these huge catchment areas there are no gutters or anything to take the water off and away from the stack. In some places one sees that the water has extended up the stacks two or three bags high. At one place I visited last week the stench was something dreadful, and constitutes a menace to the health of the community.

Hon. R. J. Lynn: It will kill the mice.

Hon. H. CARSON: It will be necessary for the Government to make an early move regarding the coming harvest. I believe it is

their intention to build silos for the protection of the wheat of the coming harvest. These must be ready in time, and if the Government do not hurry up we shall be in a sorry plight. I am afraid that a large quantity of our wheat will have to be stored for twelve months, or even longer. With regard to Mr. Sommers' remarks in connection with the anti-shouting proposals, I understand it is Mr. Holmes's intention to bring in a Bill similar to the one he brought in last session. It is, however, not his intention to bring it in this session, but he is waiting until after the general elections. In my opinion it is not the duty of a private member to bring in this Bill, the responsibility of which should be taken by the Government, more especially at a time like this. Furthermore, the Government should bring down the measure at the earliest possible moment. This shouting system has become greatly abused. I should like the Government to bring the Bill down and have it passed on account of the saving which would be realised by the country, and also in the interests of our lads returning from the front. It is only natural that we should show delight at seeing our boys back, and probably the first thing we do is to ask them to have a drink. The harm is done not so much by that one drink but because so many other people ask them to do the same thing. The result is they have far too much, and the practice also involves a considerable waste of money.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. H. CARSON: Before tea I was referring to the introduction of a Bill to prohibit shouting. The matter is one which should be taken in hand by the Government. Every member of this House, and I think the majority of the community, recognise that the shouting system has been abused, and is to a large extent the cause of the drunkenness in our midst. With regard to education, I am glad to be able to bear testimony, with other members, to the good work which the leader of this House has done in the Education Department. He has endeavoured to extend the educational system, but I wish to call his particular attention to the serious problem of supplying primary education to the families of our pioneers in 'the

back blocks. I recognise that it is a problem, and one which our leader should face and endeavour to solve. At the present time there are small schools in the outlying portions of the State conducted in many cases by uncertificated teachers, the majority of them probably young girls not more than 18 or 19 years of age. It is a shame that the department should send these young girls to some of the areas in which they are stationed. The difficulty would be met by establishing larger schools in various centres and making them boarding schools. Boarding schools might be established at, for instance, Geraldton, Kellerberrin, and Merredin. It would be very much cheaper, and the children would get far better education. I wish to bring to the Colonial Secretary's attention a paragraph in one of the Education Department's circulars stating that no uncertificated teachers would be appointed in the metropolitan area. Why not have some of them in the metropolitan area where they will have an opportunity of gaining their certificates, and send some of the more capable teachers into the back blocks? We all recognise that a necessity of the present time is the development of our outback areas, and to that end we certainly must make life in those districts much more attractive than it has been hitherto. I know something of the experiences which the outback pioneers have to pass through. Let me give an illustration of the manner in which the Government are making life more attractive in the country. The Education Department have a regulation that a school building must not be used more than once in three months for the purposes of a dance. Hon. members must recognise that in the outback centres the only place suitable for social gatherings is the school house. The Government might well allow the school-house to be used for any purposes whatever of social intercourse and amusement. I know the leader is sympathetic, but I am afraid the departmental heads are trying to block his wishes in the matter of this regulation. They say there is sometimes destruction of furniture; but on every occasion of a social gathering at the school house the department have had a guarantee that the furniture, if removed, will be replaced, and that any damage done will be paid for. Moreover, the set-

tlers pay for the use of the school premises. Therefore I sincerely trust the leader of the House will endeavour to meet the wishes of the pioneers in this respect. Another subject to which I desire to refer is the operations of the Industries Assistance Board. Mr. Mitchell has been removed from the control of that board, and I regret his removal very much, because the hon. gentleman had just got that board in good working order, and by his attitude and actions he was giving every encouragement to the settlers who had got into such great difficulties. To show the earnestness of Mr. Mitchell, and his desire to make amends for some of his past mistakes, I may mention he actually refused the position of Agent General in order that he might remain here and do all in his power to help the farmers out of the slough of despond into which they had fallen. On that I think he is to be congratulated. The Minister now controlling the board has made through the Press a statement to the effect that the board's accounts must all be carefully gone into and the qualifications and situation of each debtor closely considered, and that those settlers who cannot make good are to be turned off the land; or, at any rate, that the board will grant them no further assistance. I do hope the Minister will be very careful as to how he treats the farmers under the board. It is true there are some who will never make good, but I think there are very few of them. A case which to many people would seem an impossible one might, to a man more conversant with the possibilities of farming, appear by no means a hopeless proposition. I trust the Minister will weigh every case carefully, because if the settlers are forced off their blocks the Government will lose their debt, and the asset will quickly deteriorate, as land reverts to the virgin state if neglected for any length of time. I hope the Colonial Secretary will give the various matters I have brought forward his serious consideration.

Hon. R. J. LYNN (West) [7.40]: I do not propose to say much on the Address-in-reply, which is the usual colourless matter submitted to the House every session. On this occasion, however, we are witnessing the inauguration of the National Government, who, it is hoped, will prove to be the nucleus of a party sufficiently strong to

control the destinies of Western Australia for many days to come. In view of the Government's intention to submit their proposals for the consideration of the electors at any early date, I wish to offer a few words on the question of finance. To anyone who has carefully considered the financial position it must be apparent that, as Mr. Kirwan rightly put it yesterday, everything must be cut clean down to the bone. To my way of thinking the question is not, as the Colonial Secretary put it, one of wastage. In my opinion we have in the Government departments to-day too much duplication of work, and surplus labour in almost every direction. I trust the Government will take into their serious consideration the abolition of all surplus labour and the amalgamation of many of the departments. Comparing the heavy votes of expenditure with the revenue, we must recognise that it is impossible for the Government to cut down sufficiently to enable them to balance the ledger. However, by exercising economy in every direction, and by introducing equitable taxation, perhaps the Government will be able to balance the ledger. I heard it mentioned incidentally that the Treasurer proposed to cut out *Hansard* expenditure, and for this I commend him. The abolition of *Hansard* will not only save a considerable amount of money in printing, but will prevent the gathering of surplus energy, or the gas that is generated from one session to another. All that will be eliminated if *Hansard* is cut out. If we have to sit here without *Hansard* to talk to, and with no sympathetic Press to listen to much of the drivel that is spoken here, if there is no doubt that what is said will not be published, then it is reasonable to assume that our session, instead of being long and dreary, will result in business being done. There will be not only the saving of the cost of publishing *Hansard*, but there will be the advantage of business being more speedily attended to than is the case to-day. The leader of the House to-day has been described as the most sympathetic administrator the Education Department of this State has had. It is all very well to be sympathetic in administering such a huge department, but we have to consider whether a small, sparsely-populated

State like ours can afford an expenditure of £400,000 per annum on education. I am not opposed to the extension of the finest educational system to the remotest parts of the State, provided we can afford it. Many of us have boys of our own growing up, and, so far as I am concerned, I am anxious that my boy should go to Rugby, and from there to Oxford, and qualify at the best universities in the world. But I cannot afford it, and so he cannot go. The State must, in the same way as an individual, take care that in the matter of education, in extending the educational system as is being done to-day, a financial burden is not being incurred which is really too much to carry. Then we have, as I stated in connection with the amalgamation of many of the other departments, instances where departments on our coast could be amalgamated and a considerable saving effected. The only note I wish to sound to-night respecting the finances is that whilst we may desire to do all these things, we must in framing the estimates for the future, in view of the abnormal condition of affairs existing in the State, take into consideration what our possibilities are in every direction. So far as the Civil Service is concerned, I am in accord with the Colonial Secretary that they should have all the protection possible, or all the protection they are entitled to, but I do not think they should have any more protection than we can afford to give them. If the service is over-manned and there is no work for them, then any protection that has been afforded to them in the past must of necessity be wiped out, and if an amendment of the Act is necessary in that direction, the Government of the day must be strong enough to face the question and amend the Act so that expenses in this direction may be reduced. Speaking on the revenue, the Colonial Secretary pointed out the saving that has been effected from the point of revenue and loan expenditure, and I am quite in accord with him that a saving to some great extent has been made so far as loan expenditure is concerned. But my anxiety is that if the expenditure has been cut down to the extent of two millions per annum, we are having a corresponding reduction in the administration, or is it costing us just as much to spend so much less?

Of course it is very difficult to analyse the figures that we get from the *Statistical Abstract*. In many directions it is impossible to obtain percentages, but in view of the limited number of public works going on at the present time, it is reasonable to assume that a corresponding reduction in expenditure in connection with the administration of the departments should be brought about. I would not have spoken on the Address-in-reply had it not been for the fact that I gave notice of a motion relating to the administration of the Police Department, and before I attempted to offer any criticism, I was very anxious to peruse those files so that the information supplied me would have been borne out or otherwise before I made any reflection on the administration of the department. When the Police estimates were before the House last year and the year before, provision was made for the appointment of two additional inspectors. For some reason or other those appointments were not made and it was only within the last few weeks that the appointment of an inspector was made. Immediately that came under my notice I addressed a communication to the Colonial Secretary calling attention to the fact that Detective-Sergt. Mann who has received the appointment had not qualified for it by examination under the regulations of September, 1913. A circular order was issued on that day stating that no member of the force under the rank of sergeant would be permitted to submit himself for examination for the rank of commissioned officer, and that intending candidates must give at least three months' notice in their own handwriting. The order goes on to explain the qualifications necessary for the appointment, and it adds: "An examination will be held for candidates desirous of qualifying themselves for promotion to the ranks of commissioned and non-commissioned officers respectively, and will be of such a nature that any man of ordinary intelligence should pass after a little preparation." This was circulated on the 13th August, 1913. Immediately after this was issued, four or five men in the force with many years of service, some of them up to 30 years, and having reached an age when within three or four more years, by retirement they

would obtain a pension which would be far more commensurate with their services if appointed to the position of inspector, qualified, and although they had qualified and quietly waited the pleasure of the department for promotion, a bomb shell was thrown into their midst by the announcement that Detective-Sergeant Mann had been appointed inspector, without having previously qualified. I do not know whether Mr. Mann is capable and whether he is in every respect worthy of filling the position, but the circular order sets forth that any intelligent person should be able to qualify. If Mr. Mann has that intelligence, then he should have qualified for the examination. I brought this matter under the notice of the Colonial Secretary by letter, but unfortunately I did not keep a copy of it. The letter was not intended to be sarcastic, but perhaps it was written in an impetuous moment and there may have been something in it unnecessarily harsh. I do remember styling the Commissioner of Police as an autocrat who was able to sweep aside regulations. I took exception to the appointment and I said that in my opinion it should not be confirmed, as the gentleman in question had not qualified under the regulations. On the very day that I wrote this letter referring to the regulations of the 13th August, 1913, a special regulation was gazetted exempting Mr. Mann from qualifying by examination. This special regulation reads "Notwithstanding anything contained in circular order 31-1913, the Governor may specially promote any member of the Police Force recommended by the Commissioner for very exceptional ability and merit." The men who had qualified quietly, and who were waiting, as they thought, for promotion to come their way, received a very severe shock. I think I addressed another communication to the Colonial Secretary so that some justice might be done to the aggrieved men in view of what it meant to them from a financial standpoint, and I was surprised to ascertain in the street that two other appointments were to be made. The Commissioner of Police was able to frame a regulation to exempt Mr. Mann from qualifying as an inspector, but to promote two first class sergeants at an increased remuneration of

6d. a day, he had to summon to Perth all the inspectors from Geraldton to Albany. This was because under the original regulations it is laid down that no appointments may be made except by a board composed of these inspectors. In Mr. Mann's case the Commissioner did not consider it necessary to call this board together; it was only after I had raised the question that a meeting of the inspectors was convened to make the other two appointments involving an increased payment of 6d. per day per man. This action must have cost the State a fair amount of money, for the inspectors had to be brought from Kalgoorlie, Geraldton, Albany, and other places to sit in Perth for perhaps a week and make two appointments. Much to my surprise I then heard that I might be using my influence on behalf of one of the sergeants who had qualified. It is true that I was anxious that this particular senior sergeant, all things being equal, and not having a blemish against his character, should receive the reward. The board appointed one man who was entitled to receive the promotion, Sergeant Thomas of Geraldton, and the other man, Sergeant Lean, who was chosen was 10 years the junior of the senior sergeant to whom I have referred. I was very anxious to peruse the files in order to ascertain how these appointments were arrived at. I am quite satisfied that if our Police Administrator was promoted to high rank on the Eastern front, he would make a very good Czar and autocrat. It is evident to me that an administrator who is not prepared to be sympathetic to men who have given 30 years of their lives to the services of the State and whose records are without a blemish, should not have control of an important department. If one dares to mention a police officer in order that wrong might be redressed that officer is subject to instant dismissal. That should not be. If the public servants are entitled to a Public Service Commissioner that they might be protected against injustice, surely the men in the police force are entitled to some similar protection. If not, and if redress cannot be obtained for them by any other means. I think I am perfectly justified in bringing forward the question here. Realising, how-

ever, that the session will close on Tuesday next, and not being anxious to attempt to prevent the Government from closing up on that day, I have brought this matter forward in the hope that the leader of the House will either peruse those files himself or hand them to the Public Service Commissioner for perusal and report. I am not asking for favour for any individual, but I do say that service and merit should count. The only other question in respect of which I am anxious to enlist the sympathies of the Minister is that of certain landlords of Fremantle and their attitude towards their tenants. Recently a Mr. Louis Abrahams came down to Fremantle and purchased a block of buildings extending from Market-street to High-street, for which he paid £17,000. Small tenants, shopkeepers, have been in those premises for many years, building up their little business connections, getting their stocks together, and, like all business people in a small way, struggling along. Now, immediately Mr. Abrahams buys those premises he notifies the man in the corner shop, 14 feet square, that his rent is raised from £6 to £12 per week. The keeper of another little shop 14 feet by 8 feet, and his next door neighbour in a little partitioned-off shop, have each been paying £3 per week. In each instance the rent is abruptly raised to £5 18s., and they are called upon to pay the additional amount of taxes involved in that increase. I submit that, although landlords ourselves, we should not permit that sort of thing to-day. It should not be tolerated. These small business men should not be put under the iron heel of a man such as this, and crushed out of existence by his avarice. For years those people have been renting those shops and a demand such as has been made of them simply means that they must go out of business. No other suitable shops are available to them, and they will be forced out of trade. Their little stocks will be submitted to public auction and they themselves probably ruined through the action of their new landlord. I hope the leader of the House will be good enough to take note of this, and that the Government will be able to bring such pressure to bear as will prevent this injustice. I am glad to note that a record has been created in that in another place the Address-

in-reply has been finished and the Supply Bill finally passed within one week.

On motion by Hon. H. Millington debate adjourned.

House adjourned at 8.6 p.m.

Legislative Assembly,

Thursday, 26th July, 1917.

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

SWEARING-IN.

Mr. S. R. L. Elliott (Geraldton), who was absent at the three previous sittings, took the oath, and subscribed the Roll.

QUESTION—RAILWAY SMOKING COMPARTMENTS.

Mr. SMITH asked the Premier: 1, Is the Railway Department overmanned when officials have so much time for prosecuting ladies for the trivial offence of travelling in smoking carriages? 2, Why is not the same energetic attention paid to men smoking in non-smokers and travelling in ladies' compartments? 3, As ladies are allowed to travel in smoking tram-cars, why does the

Commissioner object to their entering smoking railway carriages on the suburban lines? 4, Will the Commissioner cancel this absurd by-law, at any rate until he provides decent seating accommodation for lady passengers? 5, Will he refund the fine and costs, amounting to 45s. 6d., inflicted on a girl for travelling in a smoker recently? 6, Is he aware that the Commissioner issued a warrant of execution against the girl within a day or two of the infliction of the fine, thus adding a further 4s. 6d. to the costs?

The PREMIER replied: 1, No. 2, The same attention is given. Neither smokers nor non-smokers are permitted to travel in ladies' compartments, nor are smokers permitted to smoke in non-smoking compartments; if anyone is detected smoking in such compartments, he is at once stopped and advised to remove to a smoking compartment. 3, The conditions are not similar. During certain limited hours of the day, smoking cars only are run on the trams, and it would be unreasonable during these hours to absolutely prohibit ladies travelling. With railway trains, both smoking and non-smoking compartments are always provided. 4, No. 5, The department has no record of the fine and costs amounting to 45s. 6d. referred to, but a young lady was recently fined 10s. and 29s. 3d. costs, which have not yet been paid. The circumstances disclose an absolute defiance of the department; after being requested two or three times to remove to a non-smoking compartment, where there was ample room, she, on the advice of a man travelling with her, absolutely refused and defied the department, and the prosecution followed. 6, The department had nothing to do with the issuing of any warrant, but it is understood that this action is taken where a fine is not paid within a reasonable time.

QUESTION—LAND AT FREMANTLE SOLD.

Hon. W. C. ANGWIN asked the Minister for Lands: 1, For what reason did the Government sell Lot 1535, near the Customs House, Fremantle, and close to the main business part of the Fremantle harbour? 2, Who applied for the land to be sold, and