

Legislative Assembly,

Tuesday, 21st September, 1915.

| | PAGE |
|---|------|
| Papers presented | 944 |
| Questions : Water scheme, Collie | 944 |
| Commonwealth Bank Advances, State Guar- antees | 944 |
| Jetty Accommodation, Albany | 944 |
| Cottesloe Beach Rates Validation Bill | 944 |
| Select Committee, Perth-Fremantle road | 945 |
| Leave of absence | 946 |
| Bills : Mines Regulation Act Amendment, 3a. | 946 |
| Industries Assistance Act Amendment, Com. | 946 |
| Licensing Act Amendment Continuance, 2a., Com. | 954 |
| Grain and Foodstuff, 2a., Com. | 954 |
| Cottesloe Beach Rates Validation, 2a., Com. | 955 |
| Annual Estimates, general debate | 959 |

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

PAPERS PRESENTED.

By the Honorary Minister: 1, By-laws of the Department of Public Health, 27th August, 1915. 2, Model by-laws of the Department of Public Health, adoption of Parts 2 to 6, and 8 to 10. 3, Charges for Storage at Esperance Jetty under "The Jetties Regulation Act, 1878."

QUESTION—WATER SCHEME, COLLIE.

Mr. O'LOGHLEN asked the Minister for Water Supply: 1, Is it a fact that the whole of the material required for the Collie water scheme is being railed to Collie? 2, Is it correct that a saving of approximately £1 a ton on 600 tons could be made if the material was sent by boat to Bunbury, and thence railed to Collie? 3, If the Railway Department desire to secure this advantage in freight, does he think it fair that the ratepayers of Collie should be called upon to carry this extra impost?

The MINISTER FOR WATER SUPPLY replied: 1, No. 2, No. 3, No arrangements have been made to advantage the Railway Department and the ratepayers of Collie will not be required to carry an extra impost.

QUESTION — COMMONWEALTH BANK ADVANCES, STATE GUARANTEES.

Hon. J. D. CONNOLLY asked the Minister for Agriculture: 1, Is it a fact that the Government have guaranteed advances made by the Commonwealth Bank to persons or corporations for large sums? 2, If so, will the Government state the amount and date of each guarantee? 3, Under what authority were these guarantees given?

The MINISTER FOR AGRICULTURE replied: 1, Yes. 2, (a.) Guarantee of £25,000 approved 29th March, 1915. (b.) 1 Guarantee of £25,000 approved 4th May, 1915. (c.) Guarantee of £5 10s. per ton on ore shipped. 3, The Industries Assistance Act, 1915.

QUESTION—JETTY ACCOMMODATION, ALBANY.

Mr. MALE (for Mr. Thomson) asked the Minister for Works: 1, Is the statement appearing in the Press, that the new jetty being constructed at Albany has been reduced in length from 1,000 feet to 800 feet, correct? 2, If so, why has this reduction in length been made?

The MINISTER FOR WORKS replied: 1, Yes. 2, The Chief Harbour Master asked for spring piles to be provided, and consequently it was decided, so as not to increase the original estimate, to curtail the length by 200 feet, but at the same time to increase shipping accommodation by providing for berthing on both sides of the jetty; the original scheme provided for berthing accommodation on one side only.

QUESTION — COTTESLOE BEACH RATES VALIDATION BILL.

Mr. VERYARD asked the Minister for Works: 1, For what period does the proposed Cottesloe Beach Rates Validation Bill protect the roads board? 2, What is the total amount of rates so protected? 3, What amount of rates are still due to the board? 4, Will the proposed Validation Bill affect the decisions of

magistrates already delivered in the local courts?

The MINISTER FOR WORKS replied: 1, 1st July, 1909, to 30th June, 1915. 2, All rates levied during the period referred to and including £1,040 0s. 1d. outstanding at the 30th June, 1915. 3, £701 15s. 5d. 4, Yes, assuming that the cases have been lost by the Board on technical points.

SELECT COMMITTEE, PERTH-FREMANTLE ROAD.

Report Presented.

Mr. B. J. STUBBS brought up the report of the select committee appointed to inquire into the method of apportionment of the cost of reconstructing and maintaining the Perth-Fremantle road.

Report received and read.

Mr. B. J. STUBBS (Subiaco) [4.44]: I move—

That the report be printed.

Hon. J. D. CONNOLLY (Perth) [4.45]: On a point of order! As a member of the select committee I wish to state that I dissent from the finding of the committee, more particularly with that portion dealing with the allocating of the costs, I want your ruling, Mr. Speaker, as to whether it is within the Standing Orders for me to express my dissent now by a minority report.

Mr. Carpenter: You know you cannot do so.

Mr. SPEAKER: I cannot find anything in the Standing Orders which will permit the hon. member to bring in a minority report.

Hon. J. D. CONNOLLY: I suppose it can be discussed at a later stage.

Mr. B. J. STUBBS: If the motion which I have just moved is adopted I will then move that the consideration of the report be made an Order of the Day for the next sitting of the House.

Mr. SPEAKER: That is the general practice which is adopted in this House.

Mr. Taylor: Is the motion before the House debatable?

Mr. SPEAKER: Standing Order 357 provides that on the presentation of a report no discussion shall take place, and the next Standing Order provides that if any measure or proceeding be necessary upon a report of a Committee, such measure or proceeding shall be brought under the consideration of the House by a specific motion.

Mr. TAYLOR: No debate or discussion can take place on the presentation of the report, but the motion now is that the report be printed. That is a distinct motion, and the hon. member who moved it has stated that he is going to take further action at the next sitting. It is open to any hon. member to give reasons why, in his opinion, the report should not be printed.

Mr. SPEAKER: Standing Order 357 reads—

Upon the presentation of a report no discussion shall take place; but the report may be ordered to be printed with a document accompanying it.

It has not been usual to debate the presentation of a report at this stage, particularly when the mover of a motion for the printing of the report has indicated that he intends to move a motion at a later stage which will permit of a full discussion taking place; but I do not take it from the Standing Order that I should prevent a discussion at this stage, provided that such discussion is confined to the question of printing the report. The question now is "That the report be printed."

Hon. J. D. CONNOLLY: Do I understand that the motion for the printing of the report is open for discussion?

Mr. SPEAKER: That is the only matter upon which a discussion can take place; the report itself must not be discussed.

Hon. J. D. CONNOLLY: I do not think it is advisable for the report to be printed, for the reason that hon. members will recognise, after having heard the report read, that it is inconsistent, and that the allocation of the moneys is so different.

Mr. B. J. Stubbs: You are discussing the report now.

Hon. J. D. CONNOLLY: I am only giving that as a reason why I do not think we should go to the expense of printing the report. I have no intention of discussing the report, except to say I do not think the report is likely to commend itself to the Government. Therefore, I do not think it is worth the expense of being printed. It was not to discuss the question that I arose, but merely to oppose the printing of the report as the only way of recording my dissent. If we carry the hon. member's motion it will mean a waste of money.

Question put and passed.

LEAVE OF ABSENCE.

On motion by Mr. BOLTON leave of absence for two weeks granted to Mr. A. A. Wilson, on the ground of urgent private business.

BILL—MINES REGULATION ACT AMENDMENT.

Read a third time and transmitted to the Legislative Council.

BILL—INDUSTRIES ASSISTANCE ACT AMENDMENT.

In Committee.

Mr. Holman in the Chair; the Minister for Lands in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 9:

The MINISTER FOR LANDS: I move an amendment—

That in lines 4 and 5 the words "word 'December' for the word 'March'" be struck out, and "figures '1917' for '1916'" be inserted in lieu.

When introducing the second reading, I pointed out to the House that we would have in a number of cases to carry farmers over next year, and if we were to limit the operations of the measure until December, 1916, that would not enable us to get the results of the crop, and consequently the Government could not take that as an indication from Parliament to

advance for next year's croppings. In order to overcome that difficulty, it will be necessary to continue the measure from March, 1915, as proposed in the original Act, until March, 1917.

Amendment put and passed, the clause as amended agreed to.

Clause 3—agreed to.

Clause 4—Amendment of Section 21:

The MINISTER FOR LANDS: This clause was inserted in regard to the distribution of the surplus. After the Government are satisfied as to the advances they have made, the Government have to be responsible for the distribution of the surplus. At the end of the clause it says "If such surplus is applied by the Colonial Treasurer as aforesaid he may charge the commission at a prescribed rate to meet the cost of distribution and may retain such commission from the surplus." The Chamber of Commerce take exception to that and state that a definite commission should be set out. I move an amendment—

That in lines 8 and 9 the words "at a prescribed rate to meet the cost of distribution" be struck out and "of one and one quarter per cent." be inserted in lieu.

Hon. J. MITCHELL: The Minister had made clear that the charge was to be against the creditors in an assigned estate.

The Minister for Lands: That only applies where the distribution takes place under the third schedule; it is one and a quarter per cent. of the surplus described in the third schedule.

Hon. J. MITCHELL: On the second reading the Minister inferred that he would make a charge against the creditors in an assigned estate.

The Minister for Lands: That is assigned by the board.

Hon. J. MITCHELL: This would be, under the third schedule, to outside creditors. If a farmer owes to a machinery merchant £50 and the Government pay the machinery merchant, the farmer has to pay one and a quarter per cent. on the £50.

The Minister for Lands: Not the farmer but the machinery merchant.

Hon. J. MITCHELL: That is all right then.

Amendment put and passed, the clause as amended agreed to.

Clause 5—agreed to.

Clause 6—Amendment of third schedule:

Mr. BOLTON: This seems to be the clause to deal with what I pointed out on the second reading in regard to obtaining payment for any wagon, dray, or cart. If in the first line of the schedule the words "wagon, dray, or cart or vehicle used for carting farm produce" were inserted, that would get away from any advance being made against sulkies or rubber-tyred huggies. Unless something of the kind is done it will not be satisfactory. It has been suggested that the Governor-in-Council may from time to time amend or alter the schedule. I fail to see where there is power to alter the schedule.

The MINISTER FOR LANDS: I have gone into this matter since the hon. member raised the point. I stated that those persons who supplied wagons and farm drays should get the same consideration as the man who supplied machinery. I submitted this matter to the Crown Solicitor and he is of opinion that there is no need to amend the third schedule as there is power under Section 21 of the principal Act to vary the third schedule to the extent of wagons and drays being recognised as machines. It is proposed to prescribe by regulation the payment for wagons when an advance is made by the board for their purchase, the same as in the case of machinery.

Clause put and passed.

Clauses 7, 8—agreed to.

New clause—Amendment of Section 12:

The MINISTER FOR LANDS: I move—

That the following be added to stand as Clause 3:—Section twelve of the principal Act is amended by inserting in paragraph (c), after the word "fees," the following words, "or veterinary charges, the wages of farm hands, insurance premiums, or medical, surgical, and dental expenses."

This is purely consequential on the amendment to Section 15.

New clause passed.

New clause—Purchase money on sales of crop or produce to be paid to the Colonial Treasurer:

The MINISTER FOR LANDS: I move—

That the following be added to stand as Clause 9:—It shall be the duty of any person who purchases the crops, or any product of the crops, of any person to whom advances have been made under the principal Act on the security of such crops, whose name is on the register kept under the provisions of section twenty-two of the principal Act to pay the purchase money to the Colonial Treasurer, and any authority of the Colonial Treasurer to the person to whom such advances have been made to sell such crops or produce on behalf of the Colonial Treasurer shall not be deemed to authorise such person to receive the purchase money; and in default of payment of such purchase money to the Colonial Treasurer it shall be recoverable from the purchaser by action at the suit of the Colonial Treasurer in the name of his office: Provided that nothing herein contained shall affect the right of the Colonial Treasurer to recover from the purchaser the crops or the produce thereof or the value of such crops or produce, in case such crops or produce shall have been sold without the authority of the Colonial Treasurer.

We have made a definite arrangement with the wheat buyers principally and the trade generally who purchase farm produce to allow the ordinary channels of trade to operate provided that, if they purchase from those who have received advances from the board to put their crops in, the money shall be paid to the board and not to the seller. The Solicitor General is of opinion that, unless the new clause is inserted, a farmer might be able to sell his crop and receive the proceeds. This would be dangerous from the point of view of the State's investment and our obligation with the Chamber of Commerce to distribute the sur-

plus in accordance with the third schedule. The person who receives will be held equally guilty with the person who sells.

Hon. J. MITCHELL: Is the register available to everybody?

The MINISTER FOR LANDS: Yes. We are sending a circular to the wheat buyers, and it is proposed to forward a copy of the schedule, giving a list of those who have received advances and outlining how we expect them to operate in connection with the purchase of produce. It will also be made public through the columns of the Press.

Hon. J. MITCHELL: Has the Minister sent out broadcast lists of all who have received assistance from the board?

The Minister for Lands: To the wheat buyers.

Hon. J. MITCHELL: I am content so long as the register is available to the business people.

The Minister for Lands: The list can be purchased from the board for a very small sum.

Hon. J. MITCHELL: The public are entitled to every protection, but I do not like the idea of sending out these lists broadcast.

The Minister for Lands: Under the Act, I think we have to print them.

Hon. J. MITCHELL: They have to be available to all who wish to know, but this is a different matter. I take it that every dealer can protect himself by paying 3d. for a list.

The Minister for Lands: A nominal charge anyhow.

Hon. J. MITCHELL: And that will be a certified list?

The Minister for Lands: Yes.

New clause put and passed.

New clause—Interest on arrears of rent when assistance not sought:

The MINISTER FOR LANDS: I move—

That the following be added to stand as Clause 10:—Every conditional purchase lessee shall, as from the first day of April, 1915, be liable to pay to the Minister for Lands interest on his rent in arrear at the rate of six pounds per centum per annum until payment: Provided that if an application is made by

the lessee to the board for an advance to enable him to pay such arrears, and such application is refused, the liability of the lessee for the payment of interest shall cease as from the date of such application.

Prior to the 1st April, we sent out notices calling upon those in arrears to pay in cash their land rent, or sign an order form under which the Board could pay the arrears. Quite a number of farmers signed the form and, to the 30th June, £85,000 was received. We know of cases where farmers refused to sign the notice and deliberately tore it up. Others have ignored it, and some have forgotten it. Consequently, the man who was honest has been paying 6 per cent. from the 1st April, while the man who tore it up would when forced to face the position owing to danger of forfeiture, pay interest only from the time pressure was brought to bear upon him. In all cases we have waived the fine which runs into 15 per cent.

Hon. J. Mitchell: Twenty per cent.

The MINISTER FOR LANDS: Roughly speaking, it is 15 per cent.

Mr. Willmott: Absolute usury.

Hon. J. Mitchell: Which the Minister could not recover under the Money Lenders' Act.

The MINISTER FOR LANDS: We have the right under the Land Act to collect fines. I have waived the fines and now some who have received advances wish to dodge the payment of the 6 per cent. It would be unfair to penalise the honest man and let off scot free the man who would not sign the form. The proposal is that the interest shall take effect from the 1st April whether assistance was received on that date or subsequently.

Mr. WILLMOTT: I take it that the farmer will be saving 9 per cent. If he paid the fine it would amount to about 17 per cent.

The Minister for Lands: He will save at least nine per cent.

Hon. J. MITCHELL: The fine is 1s. in the pound at the end of three months, which is equal to 20 per cent. per annum and it is supposed to cease at the end of three months.

The Minister for Lands: No fines will be enforced. The farmer will pay the net land rent due, plus 6 per cent.

Hon. J. MITCHELL: Every farmer who has received assistance should be on the same footing. The fine will be waived in every case?

The Minister for Lands: Yes.

Point of Order.

Mr. E. B. JOHNSTON: On a point of order, is the proposed new clause, which is an alteration of the Land Act, in order in being inserted in this measure?

The Chairman: The proposed new clause is not an alteration of the Land Act but of a measure dealing with assistance to settlers.

Mr. E. B. JOHNSTON: It provides that every Crown tenant under the Land Act who has taken up a conditional purchase lease shall pay 6 per cent. interest on arrears, but if he has taken up pastoral or grazing leases or any other holding, he will not come under this provision.

The Chairman: The Land Act states clearly that, if the rent is not paid, the lease shall be forfeited. This Bill relates to the provision of assistance to settlers, and provides that the Minister may advance to holders of conditional purchase leases the money to pay arrears of rent and, when he has advanced that assistance, interest shall be payable at the rate of 6 per cent. per annum.

The Minister for Lands: There would be something in the point of order if we proposed to deal with the waiving of the fines as that would be interfering with the Land Act. The proposed new clause has no bearing on the Land Act. The Industries Assistance Act provides that we may advance money to pay land rent and we are now stipulating that, where these advances are made, the interest shall be 6 per cent.

Mr. James Gardiner: This applies only to securities under the Industries Assistance Act?

The Minister for Lands: Yes, it is limited to them.

Committee resumed.

Mr. E. B. JOHNSTON: I object to the proposed new clause. It has been stated that the farmers will be saved 9 per cent. interest, but, as a matter of fact, it will be nothing of the kind. Although the fine chargeable under the Land Act is 1s. in the pound for three months, if in the past circumstances have rendered it necessary for a distressed farmer to have his rent held over for a year, the fine has not exceeded 1s. in the pound—that is 5 per cent. interest. When the member for Northam was Minister for Lands distressed farmers' rents were held over for two or three years, and the fine imposed never exceeded 1s. in the pound. It does not go on accumulating after the three months. We are really going to charge six per cent. on all rents in arrears by distressed farmers, although the Government merely make a book entry. In Victoria distressed settlers are allowed one year free of interest, after which five per cent. is charged. In South Australia, according to a newspaper owned by a member of this Chamber, distressed farmers are carried on without interest.

The Minister for Lands: That applies to current rents only.

Mr. E. B. JOHNSTON: Under the amendment, the farmer will be charged six per cent. interest as from the 1st April, 1915.

Mr. James Gardiner: Would he not have to pay that rate to any bank or financial institution?

Mr. E. B. JOHNSTON: He could not borrow from a bank or a financial institution. Many of these settlers have not a shilling to bless themselves with. It must be borne in mind that this measure applies only to settlers suffering as the result of adverse climatic conditions. Despite all the sophistry of certain hon. members, I claim that under the amendment the farmer is going to be charged six months' back interest, although the advance may not be made for some months to come.

The Minister for Lands: There will be no fines, though.

Mr. E. B. JOHNSTON: But the fine amounts to only 1s. in the pound for as much as twelve months.

The Minister for Lands: That is a fine for each half-year. Each half-year carries its 1s. in the pound.

Mr. E. B. JOHNSTON: The Government could very well refrain from imposing interest on back rents, and to date the interest back five or six months is out of all reason.

Mr. WANSBROUGH: I realise that the Minister has a difficult problem to solve. While numbers of genuine farmers are in distress, there are also numbers of dummies involved in this amendment; and I think the Minister had the last-named in view when proposing the amendment. I agree with the member for Williams-Narrogin (Mr. E. B. Johnston) that it would be far preferable if the question of land rents could be postponed until an amending land Bill was introduced. There are numbers of farmers, particularly in out-back districts, in whose case it would be no charity to wipe off the rents altogether. Some of them have had no crops for three or four years, and some have never had a sign of a crop until this season. I agree that numbers of people are using the land laws to-day as a stepping stone to speculation, but the sheep should be separated from the goats.

The MINISTER FOR LANDS: If this amendment is not carried, then the arrears of rent plus fines will be charged.

Mr. E. B. Johnston: We might have a chance of dealing with that point.

The MINISTER FOR LANDS: No; because I have the responsibility of administering the Land Act, and I am not going to administer it in such a way as to allow people to dodge a just responsibility. I have discussed this matter with the accountant of the Lands Department. In the first place I wanted to discriminate by asking Parliament to add the fines in the case of those who did not pay up. The accountant pointed out to me that this course would involve complication, and that it would be better to proceed as proposed by the Bill. If

the amendment is not carried, I shall simply call on the accountant to charge up arrears of rent and accumulated fines, which would amount in all to about 15 per cent. As a farmer, I decidedly object to this perpetual wailing for charity on behalf of the farmer, to this perpetual crying of stinking fish. Farming can be made to pay in this State. It is the dishonest man I want to get at by this amendment, and not the honest farmer.

Mr. JAMES GARDINER: I support the amendment on the assurance of the Minister for Lands that its effect will be a saving to the farmer, that the six per cent. takes the place of the fines, which would amount to considerably more.

The Minister for Lands: You can rest assured of that.

Mr. JAMES GARDINER: When the Estimates are being discussed, I intend to see that other people pay. Farmers would have to pay six per cent. to anybody else in order to keep their securities alive.

Mr. GRIFFITHS: Before supporting the amendment, I wish to know whether under the Land Act Amendment Bill which is to be introduced arrears of rent will, as is rumoured, be put on to the end of the purchase term.

The MINISTER FOR LANDS: That has no bearing on the question before the Committee, but the hon. member can take it from me that in cases where arrears of land rent are not paid before that Bill is introduced the land will be forfeited.

Hon. J. MITCHELL: I do not think the Minister should utter that threat. Parliament, I believe, will insist on the utmost consideration being extended to the distressed farmer. Indeed, I doubt whether the Minister has power to forfeit the land of a man who has carried out considerable improvements. Under the Industries Assistance Act the Minister is empowered to advance loan moneys to the farmer for the payment of his rent. I never agreed with that proposal, but I now agree with the Minister that all farmers needing assistance

should come under the same provision. The farmer, under this amendment, will be let off the fine; so that the amendment really means that he will pay one per cent. more than the fine. Once a farmer gets under this measure he will have some peace of mind, at all events for a while.

Mr. WILLMOTT: If I thought the farmer was not getting fair play I would be the first to say so. In this clause I think he is getting fair play. A farmer with £20 per annum to pay would to-day pay £1 in fines for three months and at the end of three months his land would be forfeited if he did not pay up.

Mr. E. B. Johnston: It has never happened in the history of the State.

Mr. WILLMOTT: But it is the law. Under the new clause he will pay 24s. for 12 months, and his land cannot be forfeited. Is he going to risk his land for the sake of 4s., which he will not pay immediately, but will owe? No reasonable man, having had assistance, can object to paying 6 per cent., especially when it will give him security of tenure.

New clause put and passed.

New clause—Penalty for aiding and abetting misuse of commodities:

The MINISTER FOR LANDS: I move—

That the following be added to stand as Clause 11:—"Any person who aids or abets any other person to whom commodities have been supplied under this Act in using or attempting to use such commodities, or any quantity thereof, for a purpose other than that for which such commodities were supplied, shall be guilty of an offence, and shall be liable to a penalty not exceeding fifty pounds, or to be imprisoned for a term not exceeding six months."

The object of the clause is simply to protect the board against persons who, having obtained bags or other commodities, sell or otherwise dispose of them in order to raise cash. It applies also to machinery parts, twine, horses, and other things advanced by the board. If a man

does not deal honestly by the board we should be able to penalise him.

Hon. J. MITCHELL: It is a pretty stiff clause. It would apply if a man lent bags to another.

The Minister for Lands: No, there must be an attempt to defraud.

Hon. J. MITCHELL: I move an amendment—

That after "who" in line 1 the word "knowingly" be inserted.

We must safeguard the farmers as far as possible. Under this, a man who lent his dray for the removal of stuff might find himself open to prosecution.

The MINISTER FOR LANDS: The amendment will make it very difficult for the board to protect itself against a dishonest settler. It will probably take a great deal to prove that the offender knowingly offended. We have no desire to penalise any settler. If one lent bags to another to overcome a difficulty, I would applaud him, not penalise him; but where a man wilfully orders more bags than he requires, just that he might sell the surplus for cash, I would certainly penalise him. Proof of fraud must be forthcoming before action under the clause can be successful. We have had experience with the old Seed Wheat Board where we found no end of difficulty, and whereas that was a small affair we have now a huge affair to deal with. The amendment will make it very difficult, almost impossible, to prove the case against an offender.

Mr. E. B. JOHNSTON: Will the Minister agree to the addition of a proviso, such as, for instance, "providing prosecution shall only take place with the consent in writing of the Minister for Lands"? As the clause stands, anyone could put the law into operation.

The Minister for Lands: The administration of the measure will be under the Minister.

Hon. J. MITCHELL: The Minister referred to trouble experienced in connection with the old Seed Wheat Board. This is a totally different matter. We should be very careful about legislation of this kind. The Minister ought not to

prosecute unless satisfied that the offender knowingly committed his offence.

The Minister for Lands: We are here dealing with nearly two millions of money.

Hon. J. MITCHELL: I am not minimising the amount of work; but there will be confusion for some time, which in itself justifies the Committee in asking that the law shall be drafted in such a way that only the minimum of hardship can be inflicted.

The ATTORNEY GENERAL: The hon. member's fears are groundless. The offence set out in the clause is, aiding or abetting a person to whom goods have been supplied in using those goods for other purposes than that for which they were supplied. It must first be proved that the person who secured the goods has used them otherwise than as intended by the board. Anybody who aids or abets a man to do that is in a conspiracy with that man, and if he is aiding and abetting him to commit a fraud he is doing it knowingly.

Hon. J. Mitchell: There is not another provision in our statutes so drastic as this.

The ATTORNEY GENERAL: In our criminal law whoever aids and abets is guilty of the offence. There is nothing said about "knowingly." The offence provided against in the clause is equivalent to stealing. The man who gets goods from the Government at the people's expense for the purpose of raising ready cash has committed an offence analogous to stealing.

Hon. J. Mitchell: But under the clause if he lends to a neighbour he is committing an offence.

The ATTORNEY GENERAL: Not unless he does it with a view to defraud. The purpose of the clause is to get at those people who have secured goods from the Government and raised ready cash by those goods, perhaps with no intention of repaying. The word "knowingly" will not help at all, neither will

the addition of the words suggested by the member for Williams-Narrogin.

Mr. HARRISON: During the seeding time a certain amount of superphosphates was over-supplied to a farmer. It was needed by a neighbour and given to him, and the Assistance Board was notified. I take it that, if a person ordered so many bags over and above what the crop required, those surplus bags could be transferred to a neighbour, provided the farmer acquainted the Assistance Board. This will protect the honest farmer.

Amendment put and negatived.

New clause put and passed.

New clause:

Hon. J. MITCHELL: I move—

*That the following be inserted, to stand as Clause 5:—"Section twenty-three of the principal Act is amended by inserting a subsection, as follows:—*5a. (a) *Every purchaser under a contract in respect of which relief is granted under this section, who, before the commencement of this Act, may have contracted for the sale of wheat for future delivery shall, unless the contrary intention is proved, be deemed to have contracted for the sale of wheat bought by him from the farmer. (b) Every sub-purchaser from such purchaser as aforesaid who, before the commencement of this Act, may have contracted for the sale of wheat for future delivery shall, unless the contrary intention is proved, be deemed to have contracted for the sale of wheat bought by him from such purchaser. (c) The words "every sub-purchaser" shall extend to and include every person buying any such wheat as aforesaid from any prior sub-purchaser. And by inserting in Subsection (6), after the word "section," in line six, the following words:—"and such relief may be claimed notwithstanding that the relief granted under Section (4) may have been granted after the date appointed for the performance of the contract of sale made by them." And by adding to Subsection (6) para-*

graphs, as follows:—"If an agent for the sale of a farmer's wheat, in contracting for the sale thereof has incurred the liability of a principal, such agent shall for the purposes of this subsection be deemed a purchaser from the farmer, and the farmer shall be deemed to have sold to the agent, and to have the right to apply under Subsection (2) for relief as though he had sold to the agent, and if relief is granted to the farmer, and the agent is unable to perform his contract of sale in consequence of such relief, the agent may claim relief under this subsection from his obligation under the contract of sale made by him. Every purchaser or sub-purchaser as aforesaid shall be deemed to be unable to perform his obligations under contracts of sale made by him to the extent of the aggregate relief afforded under Subsection (4) of this section to the farmers in respect of the purchasers' contracts with such farmers."

When the Act was passed last year, it was intended that a purchaser from the farmer should be treated in the same way, and entitled to the same relief which the farmer could obtain under the Act. Subsection 1 of Section 23 provides that the farmer shall be deemed to have contracted for the sale of wheat from the proceeds of his own crop, and Subsection 6 enables the purchaser or sub-purchaser from the farmer to claim relief so far as they are unable to perform their contracts of re-sale in consequence of relief afforded to the farmers from whom they bought. It is difficult, if not impossible, for the purchaser from the farmer to identify the wheat resold by the purchaser with the wheat which he bought from the farmer. The same argument applies to the sub-purchaser from the purchaser, and so on. In regard to the amendment in Subsection 6, the object of the Act was clearly to afford to all purchasers and sub-purchasers relief from their contracts if they were unable to deliver by reason of relief granted to the farmers under the Act. Contracts for the sale of wheat are gen-

erally for delivery in January, February or March. It will be remembered that we did not pass the Act until the 2nd March, therefore applications for relief could not be made by farmers before that date, and most farmers did not apply for relief until after March. It seems doubtful whether, where relief has been granted to a farmer after the date when the purchaser from the farmer is bound to supply under a contract of re-sale, the purchaser can claim any relief. Two other paragraphs are to be added between Subsections 6 and 7. The object of the first is to meet the case where a farmer has placed his wheat in the hands of an agent for sale and the agent has made a contract for re-sale in his own name and not as agent, thereby rendering himself liable as a principal. There is no provision in the Act whereby an agent for sale can obtain relief, as he is not the purchaser from the farmer. It is only fair that he should be placed in the same position as a purchaser from the farmer, and further, the farmer may have contracted to deliver to his agent without selling to the agent. The amendment provides that both the farmer who has done this and the agent for sale who has sold in his own name may obtain relief under the Act.

The MINISTER FOR LANDS: There is no objection to the new clause. It is purely to give relief to those it was considered should receive relief when the Act was passed. In administration it has been found there is a little omission.

Mr. MALE: To make the wording of the new clause clearer, I move an amendment—

That at the end of Subsection (a), after "farmer," the words "who obtains such relief" be added.

Amendment put and passed.

New clause as amended agreed to.

Schedule, Title—agreed to.

[The Speaker resumed the Chair.]

Bill reported with amendments.

Sitting suspended from 6.12 to 7.30 p.m.

BILL—LICENSING ACT AMEND- MENT CONTINUANCE.

Second Reading.

The ATTORNEY GENERAL (Hon. T. Walker—Kanowna) [7.30] in moving the second reading said: I do not think it is at all necessary to discuss the principles of the Act of 1914. The measure now before the House is simply a continuation of that measure which has received the endorsement of the Legislature. The Act of 1914 has to come to an end on the 31st day of March, 1915, and no later. In this measure we revive that Act and continue it. The provisions of the Bill are, as hon. members are well aware, for the purpose of dealing with any extraordinary emergency which may arise during the continuance of the war. A measure of this kind is undoubtedly necessary, not to be used at random or with indiscretion but to meet any extraordinary special emergency created by the existence of the war. I do not want to weary hon. members by a debate on the measure, but I think it is necessary to draw attention to a provision introduced into the measure which may not meet with universal acceptance, and that is the continuance of the measure further without the process of introducing a new Bill if the war should unfortunately continue longer than the year 1916. We have made provision, as hon. members will see, for the continuance of the 1914 measure up to September of next year. None of us can foresee what may happen and, though we hope not, it may be necessary to continue the measure for a longer period. In that case it may be done by a resolution of both Chambers of the Legislature. I think hon. members thoroughly understand the distinction between this measure and the local option measure which recently passed through this Chamber. I therefore move—

That the Bill be now read a second time.

Hon. H. B. LEFROY (Moore) [7.34]: I think this Bill may well pass the second

reading. It is only a Bill to continue the measure at present in operation.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—GRAIN AND FOODSTUFF.

Second Reading.

The MINISTER FOR LANDS (Hon. W. D. Johnson—Guildford) [7.37] in moving the second reading said: This is a Bill merely for the purpose of placing the responsibility on the Colonial Treasurer after the expiration of the Grain and Foodstuffs Board, which was appointed under the Grain and Foodstuffs Act last session, and which ceases owing to the limitation placed in the measure on the 30th day of September. As the board goes out of existence all claims against the board will have to be made by the Colonial Treasurer. In other words, the Colonial Treasurer will take the responsibility of winding up all the affairs of the board. It is generally recognised that the board has fulfilled all the functions that Parliament desired it should fulfill, but there may be, as a matter of fact I understand there are, one or two claims against the board and one or two matters which are in dispute. Consequently the board cannot wind up before the 30th September. If we were to allow it to go out of existence we should be doing an injustice against those who have claims against the board, and to prevent that injustice being done it is proposed when the board goes out of existence that the Colonial Treasurer shall take the responsibility of attending to all claims against the board or all claims that the board may have against other people. I do not need to take up any further time of the Chamber. It is clear what the intentions of the measure are. It is necessary that it should be passed, and I do not anticipate there will be any objection to the proposal.

Mr. James Gardiner: The board ceases to exist then?

The MINISTER FOR LANDS: It ceases to exist on the 30th September. I beg to move—

That the Bill be now read a second time.

Hon. FRANK WILSON (Sussex) [7.38]: It seems to be necessary that we should pass this measure if we are to allow the board to go out of existence. It stands to reason that with the multitude of dealings which the board have had to go into since they were first initiated into the work there must be a large amount of details to be gathered together. If we allow the board to pass out of existence then the Treasurer must take the responsibility of winding up their affairs. I take it that it is not intended to carry on the provisions of the Act or extend its operations.

The Minister for Lands: No.

Hon. FRANK WILSON: The Colonial Treasurer is apparently merely acting as liquidator to clear up arrears.

The Minister for Lands: That is so.

Hon. FRANK WILSON: Then I see no objection to the measure.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL.—COTTESLOE BEACH RATES VALIDATION.

Second Reading.

The MINISTER FOR WORKS (Hon. W. C. Angwin—North-East Fremantle) [7.41] in moving the second reading said: I desire to point out to hon. members that frequently Bills of this class have to come up before Parliament for the purpose of validating rates which have been struck in the various roads boards and municipalities. In this in-

stance there is some difficulty which occurred at Cottesloe Beach in regard to the late secretary some little time ago, and the position was that the rate book was not fully written up in the manner set out in the Roads Act. It was found necessary to enable them to collect the rates which were due, and it is owing to some legal technicality which existed in regard to the rate book that this Bill has had to be introduced. Unfortunately there is one particular matter which affects roads boards in general. That is, that it has been customary in the past in regard to rate books to consider as one page the folio which went across the two pages of the rate book. Almost every roads board district in the country only sign the folio instead of signing each particular page. The magistrate has given his decision that each page must be signed. As far as Cottesloe Beach is concerned, they failed to do so, and it is our intention to have placed, in another place, provision validating that action for all roads boards throughout Western Australia, and the Bill is before the Council at the present time. As to Cottesloe Beach, a failure had also been made in not publishing the memorandum which is necessary to show the different rates struck and which is provided should be done at the end of the rate book. Another defect was in not giving a clear description of property.

Mr. Thomas: They must have been a careless crowd.

The MINISTER FOR WORKS: There has been an upset there. The secretary cleared out and has never been found since. They have some difficulty at the present time. In answer to a question to-day by the member for Leederville (Mr. Verryard), I said that somewhere about £700 was outstanding, which through technicalities they were unable to recover. I am assured that the objections which are laid are of a purely technical character. I regret the necessity for having to bring forward this measure, but there is no help for it on this occasion. It is not the first one of its kind by any means. Hon. members will understand

the position, I hope. I beg to move—

That the Bill be now read a second time.

Mr. ROBINSON (Canning) [7.45]: I agree with the Minister for Works that whenever a roads board or a municipality has made a mistake which will prevent it recovering its rates, it is a proper thing for the House to go to the rescue, by passing a validating measure, the object of which is to provide that the ratepayers who are at default shall not go scot free. I agree with that as a general proposition, but the answers given by the Minister for Works to the member for Leederville this afternoon go to show that this particular roads board has only a sum of £17 owing to it for rates, that that is the amount affected, and that there is only one person concerned.

The Minister for Works: There is about £700 outstanding, and this Bill applies to £1,000 odd.

Mr. ROBINSON: I understood the Minister's answer this afternoon to convey that the amount was only £17, otherwise I would not be on my feet. Of course if £700 is involved it is a different matter.

The Minister for Works: That is the amount which is outstanding.

Mr. ROBINSON: How many cases are there of rates that are affected by the Bill? May I put it this way: municipalities and roads boards have to acquire a knowledge of the law. In 1907 this very question that the Cottesloe Beach board went down on was decided in the case of the Claremont board, and every board and municipal council knew that they had to sign the rate book in certain places, and that they had to fill in certain particulars, and that if they did not do so the rate book would be invalid. Everybody in Western Australia from that time forward became familiar with this law, and if there is now only one case to be validated, the roads board in question should be taught a lesson. I agree, however, that if the amount of outstanding rates is over £700 it is the proper thing that we should go to the rescue of the board and assist them to collect that sum of money.

The Minister's answers to the questions asked by the member for Leederville this afternoon were (1) that the period for which the proposed Bill protected the Cottesloe Beach roads board was from the 1st July, 1909, to the 30th June, 1915, (2) that the rates so protected were all the rates levied during the period referred to, and including £1,040 outstanding on the 30th June, 1915, (3) that the amount of rates still due to the board was £700, and (4) that the Validation Bill would affect the decisions of magistrates already delivered assuming that the cases had been lost by the board on technical points. What I would like to know further is whether there is more than one case?

The Minister for Works: I am told there are several.

Mr. ROBINSON: I do not think the House should go to the rescue of the board because one of its servants has made a blunder; that sin can be visited on someone else's head. When a board makes a mistake it should not ask the Government to bring down a validating Bill. We have had quite a number of such Bills this session, but whenever it is right and proper to do so, I will always assist in collecting taxes from ratepayers. I object, however, to do so in isolated cases and I fancy that this is one. I think the best plan would be to adjourn the debate and the Minister could then supply information to the House as to whether there are more cases affected. If there are more I shall be only too happy to withdraw my opposition, but if there should be only one I shall continue to object.

Hon. H. B. LEFROY (Moore) [7.52]: I move—

That the debate be adjourned.

Motion put and a division taken with the following result:—

| | | | | |
|------------------|----|----|----|----|
| Ayes | .. | .. | .. | 17 |
| Noes | .. | .. | .. | 19 |
| | | | | — |
| Majority against | .. | | | 2 |
| | | | | — |

AYRS.

| | |
|-------------------|----------------|
| Mr. Allen | Mr. Hickmott |
| Mr. Connolly | Mr. Lefroy |
| Mr. Cunningham | Mr. Mitchell |
| Mr. Jas. Gardiner | Mr. Robinson |
| Mr. George | Mr. Veryard |
| Mr. Gilchrist | Mr. Wansbrough |
| Mr. Griffiths | Mr. Willmott |
| Mr. Hardwick | Mr. Male |
| Mr. Harrison | (Teller). |

NOSS.

| | |
|---------------|------------------|
| Mr. Angwin | Mr. McDowall |
| Mr. Carpenter | Mr. Mullany |
| Mr. Chesson | Mr. Munsie |
| Mr. Collier | Mr. O'Loghlen |
| Mr. Foley | Mr. B. J. Stubbs |
| Mr. Green | Mr. Taylor |
| Mr. Heilmann | Mr. Underwood |
| Mr. Hudson | Mr. Walker |
| Mr. Johnson | Mr. Bolton |
| Mr. Johnston | (Teller). |

Motion thus negatived.

Mr. HUDSON (Yilgarn) [7.55]: The principle involved in the Bill is this: a number of ratepayers in the Cottesloe Beach roads board district desire to escape from their responsibilities on account of a defect in the rate book. As is well known by those who have had experience of roads boards, most people who own land and who are on it pay their rates; there are some in nearly every community who take advantage of the opportunity of escaping their responsibilities by raising legal and technical objections to the form in which they are sued, or to a defect in the proof that is brought against them when they are sued for the recovery of the rates. It has happened in this particular instance that the roads board attempted to recover certain rates. The rate book had to be produced in court, and it was then found that there were a number of defects in it, all of a purely technical character. One, as mentioned by the Minister for Works, extended to all roads boards, and it was a mistake that was made, possibly by those who were charged with the administration of the Act, and which was not foreseen by those members of the Legislature who passed the measure. I would explain for the benefit of the hon. member who last spoke, that soon after the decision of the court to which he referred was given there was an alteration made in the

form of rate book, and consequently the information that may have been gleaned from that case was not applicable to the present circumstances. I can assure the House that in this case there is a number of persons who are responsible for rates, and who may take advantage of the position, having a knowledge of the result of the recent action, to endeavour to escape paying. It is the duty of this House to protect the revenue of the roads boards, and also to protect those people who have fulfilled their obligations, against the conduct of others who seek to escape. I therefore support the Bill, and trust that the Assembly will accept it, so that this institution may be able to recover revenue which is legally due to it, and may be able to carry on its operations in a proper way. It is unfortunate that owing to the default of a previous secretary these discrepancies should have occurred, but some of the objections which have been raised are quite novel. Even the officer to whom I have referred could not have escaped making the mistake he did. At the present time there is a secretary who, having discovered the faults of his predecessor, will be able to avoid them in the future, and I have no doubt that the board will be able to carry on their business as other boards do with a stricter regard for the requirements of the statute. Some of the requirements, particularly those to which the Minister referred, were put upon the roads board secretaries by the Legislature without, I venture to say, a full knowledge of their effect. I support the second reading.

Mr. GEORGE (Murray-Wellington) [8.1]: I can understand the position taken up by the member for Canning (Mr. Robinson). There have been numbers of these validating Bills presented during the last few years, and from this circumstance one may naturally argue a considerable amount of laxity on behalf of roads board secretaries. No one can suppose that the Chamber, by refusing to pass the necessary legislation, is going to act as a screen for defaulting ratepayers, or to give assistance to those who wish to escape their just liabilities. This is not the position taken up by the mem-

ber for Canning. His idea was that, if the amount involved was only some £17, and if we were to have these validating measures on every such occasion, it would mean the taking up of far too much of the time of Parliament. But now we are led to believe that the amount involved runs into hundreds of pounds, which makes it clear that there must be a number of defaulting ratepayers. That is the information the member for Canning was seeking, and now that we have it I do not think there will be any opposition to the Bill. If the Chamber were to refuse to pass legislation necessary to force defaulting ratepayers to pay up, it would mean that extra rates would have to be levied on those who have already paid.

Hon. H. B. LEFROY (Moore) [8.3]: I do not think the House objects to the Bill, but hon. members did not fully understand the reason for its provisions, and so desired enlightenment. It appears the Bill is necessary, that the chairman of the Cottesloe Beach Roads Board has omitted to sign the rate book on every page, as he is required to do, and consequently a number of the rates already collected have been collected illegally. The roads board officials merely wish to validate their action by means of the Bill and to place themselves in a legal position to collect further rates still due. In the circumstances, I think the House will have no objection to the Bill, although, unquestionably, it is a pity that these Bills should have to come before the House. It seems there has been gross carelessness on behalf the officials concerned.

Mr. Hudson: This is the first in about five years.

Hon. H. B. LEFROY: There are a few essential things which every roads board secretary should know and point out to his chairman. It would seem that the Cottesloe Beach Roads Board has been badly managed, and it is to be hoped that the time of the House is not to be taken up in future with these validating Bills. Now that the attention of roads boards has been drawn to this, perhaps in future they will be a little more careful.

The MINISTER FOR WORKS (Hon. W. C. Angwin—North-East Fremantle—in reply) [8.5]: I recognise the truth of what the hon. member has said. While the member for Canning was speaking, I interjected that there were several ratepayers concerned.

Hon. Frank Wilson: But you could not give him the information he wanted.

The MINISTER FOR WORKS: No. However, the first inquiry I made when they asked for a Bill of this description was as to whether there were several ratepayers concerned. We were assured of that, and so I felt justified in introducing the Bill. I do not know the exact number of ratepayers affected, but there are several. Unfortunately we can always find some who try through a technicality to get out of paying their rates. I want to assure hon. members that, when the case was brought before me, I wrote to the secretary of the board, drawing his attention to Section 314 of the Roads Act, which provides that if the secretary leaves undone anything which should be done he commits an offence under the Act and is liable to a penalty. As I said in moving the second reading, in this particular case some of the work left undone was neglected by a secretary who has since left the State. One of the principal reasons for bringing down the Bill can be applied to every roads board in Western Australia. Regulations have been framed, and in regard to the preparation of the rate-book it is prescribed that the chairman shall sign in a marked place on the folio, not on every page.

Hon. H. B. Lefroy: The book has to be signed on each page.

The MINISTER FOR WORKS: Very few of them do it. They sign only where the place is provided, and it has been found necessary to introduce into the Council an amendment to the Roads Act covering all roads boards that have failed to comply with the regulations. The omission may have occurred through an error on the part of the department. But there were other points in addition to that, which rendered the introduction of the Bill necessary.

Question put and passed.
Bill read a second time.

In Committee.

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

ANNUAL ESTIMATES, 1915-16.

In Committee of Supply.

Debate resumed from the 14th September on the Treasurer's Financial Statement and on the Annual Estimates; Mr. Holman in the Chair.

Vote—*His Excellency the Governor.*
£1,540:

Hon. FRANK WILSON (Sussex) [8.10]: I regret not having been able to be present when the Premier delivered his Budget last week. Unfortunately, my health has not been of the best lately, and I found it necessary to leave the House before he had commenced his speech. I have had some opportunity of reading through it, owing to the Acting Premier and the Premier himself, I believe, agreeing that the further consideration of the Estimates should be postponed until this evening. I want to say at once I endorse with all my heart the expressions that fell from the Premier in regard to the present war. It seems to me we must all take intense pride in the effort which has been put forward by a State so small in regard to population, and intense pride in the marvellous achievements which have been attained and the great bravery exhibited by Australian soldiers on the peninsula of Gallipoli. The fact that we have been able to send from Western Australia to the front over 7,000 men, as mentioned by the Premier, and that we have nearly 4,000 in camp in training, is a wonderful result for so small a State; and the only regret, perhaps, that one can possibly feel arises from the fact that the best of our young manhood is going to the front, while many others, I regret to say, who could much better be spared, are remaining behind. It seems to me that the question as to whether we should take

part in conscription, in the movement which is now agitating public thought in the Motherland, is one which will have to be very seriously considered. I believe the time has arrived when every man in any portion of the British Empire ought to be called upon to give his services if the Empire's necessities demand it. The impassioned utterances of Mr. Lloyd George during recent days have appealed to me, and his urgings that we should not only organise for the manning of our forces, but also organise industrially, I think cannot be lightly passed by. Of course we must have more and more men, more and more material, more and more equipment, and the demands, to whatever extent they go, must be filled so long as we have men and money to meet and satisfy those demands. The question of munitions is one which has been filling the thoughts of most people in Western Australia as in other parts of Australia during the past few weeks and, when we realise that of late we have not been prospering perhaps as we ought to have been in the prosecution of this war, it is one which will to a greater extent fill our thoughts and engage our activities and energies in the near future. All members of this Parliament should render every assistance to the efforts being put forth by the Government and by the people at the present moment to supply, even in a very minor degree, some of the demands for a better and larger quantity of ammunition. I think we in Western Australia are doing our duty by taking a part in that movement, and I am certain that those who have decried it on commercial grounds and who have, perhaps, to some extent thrown cold water on the movement will on second consideration realise that it is not a question of cost or price when the lives of our men and Allies are at stake through the lack of munitions. In my opinion, the war must be of long duration and, in this respect, we must realise that more money will be required month by month as the time goes on. The flotations made in Australia are only a beginning. Many millions of money and tens of thousands of men will be re-

quired before we can look for a successful conclusion to the great struggle we have embarked upon, and I can quite understand the Premier's trepidation when he mentioned that the sources of his loan supplies were gradually being closed. I can even sympathise with him in the financial difficulties by which he finds himself surrounded and which he finds closing in upon him each month. I cannot quite agree with his statement that it was principally owing to the war that we find ourselves in our present difficulties. I may here say it is unpleasant for me to endeavour, even in the mildest form, to criticise his financial administration during his absence, and more especially in the present circumstances under the shadow of the great war to which I have just referred. Nevertheless, duty calls and we must take up the duty that falls to our lot and do the best we can. We must not be shirkers, even when it comes to passing criticism upon the actions of our opponents in the administration of the affairs of this State. Therefore I would like to preface my remarks in regard to the figures supplied to us and which we are asked to vote supplies upon for this year by pointing out to hon. members that the undoubted warnings which have fallen from members, especially on this side of the House, year after year have apparently been of little avail and have passed unheeded. My hon. friends, led by the Treasurer, as it would undoubtedly be admitted, have jettisoned their party platform of non-borrowing and I do not think I am using too strong a term—

The Minister for Lands: Where did you get the party platform?

Hon. FRANK WILSON: From hon. members opposite and from the Bunbury conference; I have quoted it in this House on many occasions.

The Minister for Lands: You never have.

Hon. FRANK WILSON: I do not think I am using too strong an expression when I say that despite those warnings, our hon. friends opposite, headed by the Treasurer, entered upon an orgy of borrow and spend. That orgy is still

continuing to-day. The past year has been a repetition of the years which have gone by in that respect and if the avenues for raising loan moneys were not being closed against us to some extent, I am satisfied my friends would still go on in their happy-go-lucky fashion, borrowing money and spending it in order to give effect to their policy of carrying out works whether they are required or not, and keeping people employed whether there is work for them to do or otherwise. The only solution which has been put before the House, so far as I can judge, is that we must now look to the marvellous harvest that is almost assured. On previous occasions we have been told that we were to look to the profit from those trading concerns which were so wildly embarked upon. To-night we are to look to the harvest which is going to realise 20 million bushels more or less. I hope it will be 20 million bushels. I am happy to think that the reports go to show that at any rate we may look for a very large increase on the biggest harvest hitherto enjoyed in this State, which I think amounted to some 13 million bushels. But I want to point out that this harvest is the result of the policy which was carried out so persistently in season and out of season by my friend the hon. member for Northam when he had the administration of the Lands Department, and the figures which the Minister for Lands quoted the other evening in this Chamber with regard to the quantity of land surveyed each year and the cost thereof simply went to prove, and to prove conclusively, that the very progressive policy which he inaugurated has been of great advantage to the State. We had the figures given to us by the Minister for Lands who now laughs at my statement, and it will perhaps do him no harm to bring them before his notice once more. In 1910-11 there was surveyed 3,200,000 acres at a cost of £72,600.

The Minister for Lands: It was not settled, though.

Hon. FRANK WILSON: In the next year, 1911-12, when he took office, 3,000,000 acres was surveyed at a cost

of £92,000. Then watch the marked falling off. In the first year the present Government were in office—

Mr. Heitmann: Why do not you leave those figures for the member for Northam. It is not fair.

Hon. FRANK WILSON: I thought perhaps the hon. member might overlook them and that I had better repeat them so that he might give them due consideration on the ground that if it is necessary to prescribe medicine for a patient it must, to be effective, be taken regularly.

The Attorney General: You want him to take the whole bottle at once.

Hon. FRANK WILSON: In the next year 1912-13 1,416,000 acres only was surveyed and at a cost of £58,000. Then in the following year it fell to 615,000 acres which cost £32,000 and last year to 204,000 acres at a cost of £13,000. The cost has gone up about treble per acre year after year as our friends have administered that department—

The Minister for Lands: Would it cost any more for surveying in the South-West than in the Eastern wheat belt?

Hon. J. Mitchell: We all surveyed in the South-West.

The Minister for Lands: You did not. Take surveys at Bridgetown.

Hon. J. Mitchell: What did you do, then?

The Minister for Lands: We surveyed as much in one year as you did in ten.

Hon. J. Mitchell: You have done nothing of the sort and you know it.

Hon. FRANK WILSON: The point stands out emphatically that notwithstanding their claims of having been so progressive in this very important feature of the administration of the country, they have gone back woefully and have practically closed down. The lands surveyed prior to their assumption of office have to some extent been taken up, but not to any great extent and the land which was taken up prior to their assumption of office has been put under cultivation; hence the harvest of which the hon. gentleman is so proud.

The Minister for Lands: Not the land you surveyed.

Hon. FRANK WILSON: I could have wished that the Premier had shown more concern for the carrying out of an economical policy rather than indulging in platitudes, as he did apparently, when he delivered his budget. He talked about the need for economy and said it would be the dominant feature of his remarks on that occasion and he wound up a very telling period of his address by saying while every economy must be exercised, it must be done in such a way as will provide the greatest good for the greatest number until the principal factors of our present distress had been removed, and the State's recuperative powers have restored our economic condition to its former equilibrium. How are we to exercise this economy? I admit the Premier's flow of speech was excellent; the language was well selected, but I fail to see any practical result which will arise from a pious expression of that description. How are we to exercise this peculiar economy? As far as I can gather, by going on increasing our deficit from year to year. This year it is to increase by £241,000. We will still borrow every penny we can possibly squeeze out of unwilling lenders and the most important suggestion which fell from the Treasurer was that we are to force our trustees of sinking funds in London to invest in new loans which he might place on the market.

The Minister for Mines: He did not say force them. It was put forward only as a suggestion.

Hon. FRANK WILSON: What a programme to put before an enlightened House such as this! What a programme to suggest!

The Minister for Lands: Why distort it? Why not quote correctly?

Hon. FRANK WILSON: I have quoted exactly. The Minister will have his opportunity to put his own distortion upon it. He is an expert; I can deal only in plain facts.

The Minister for Lands: I am an expert; I do not know what you are.

Hon. FRANK WILSON: What sort of a programme is this to put before an intelligent House to get over our financial difficulties at the present time? I

have looked through these Estimates with a fair amount of care and have been unable to find any signs of appreciable reduction in departmental expenditure forecasted for the next 12 months. Indeed, we were told that our aggregate expenditure will be increased over that of last year by some £40,000. The figures as printed bear this out, and this even after we have exercised, according to the Premier, a very stringent economy in framing the Estimates and after reducing our civil servants by that memorable percentage of 7.89 which would have panned out at some £75,000 per annum if it had been continued for a year. We know, of course, that this reduction has been abandoned. What the Government propose in place thereof I do not know. At any rate, the reduction of £75,000 in the emoluments of civil servants and others employed by the Government is no longer to be enforced. We are, I think, fully justified in endeavouring to grasp the true position as it appears to us to-day, and in comparing it—even though the process may be to some extent distasteful—with what has been done in the past. It is only by fair and legitimate comparison, not distortion, that we can get a grasp of the true position. I do not think the Minister for Lands has need to worry himself because any figures I use or quote on this occasion will appear in print, and he can refute them if he is able to do so. We must not forget, however, that the past four years have shown a record of expenditure for which, to my mind, and to the minds of many others in Western Australia, there has not been a proper and due return. In other words, the State has not received value for the money which has been expended by our friends opposite in the public behalf. Last year, the Premier tells us, we had a revenue of £5,706,000, and the Treasury figures bear this out. From loan money we spent £2,521,000. That gives a total of £8,227,000. Eight millions and a quarter were spent last year in carrying out various works and in the administration of the affairs of the State. Four years ago, in 1910-11, there was spent from revenue only £3,734,000 and from loan some 1½

millions, making a total of approximately £5,237,000. Thus there is a difference of three millions in the total expenditure for the two years I have quoted. Does not this make hon. members stop to consider? Is it not right that they should stop to consider the position? I do not wish to make political capital out of this state of affairs, but I do wish to emphasise the warnings that have fallen from this side of the House on more than one occasion. It is just about time that the House took charge of the finances of the State and endeavoured to control them. For some years past, I am sorry to say, the finances have been out of the control of this House. It is true the population has increased during the last four years by 37,000. During the last 12 months, however, we have sent away about 11,000 of our men in the Expeditionary Forces. Yet to-day, notwithstanding the huge expenditure, we have unemployed in our midst and we have witnessed a reduction of hours of work and a reduction of pay in the Government service, as I have previously stated. Shortage of funds has compelled the closing down of public works, and the answers Ministers give to deputations asking for much needed public works is always, "If funds are available."

The Minister for Works: The deputations are not deceived. They are generally told, no.

Hon. FRANK WILSON: Exactly. That is just the admission I wanted from the Minister for Works. There is no money to expend, and even the works which have been sanctioned by Parliament and have been already started are hung up for lack of funds, notwithstanding that there has been this enormous expenditure during the past 12 months and in the same ratio during the preceding three years. In 1910-11 we had no unemployed in the country, public works were progressing, and everybody appeared to be satisfied and fairly prosperous, notwithstanding that three millions less of money were expended during that year than during the last 12 months. Does not this go to show that the prosperity of the State does not depend entirely upon Govern-

ment expenditure, and that in order to make a community prosperous economy must be exercised in the Government departments and the citizens encouraged to spend money in developing the industries and the lands and thereby increasing their own profits through their own enterprise?

The Minister for Lands: Why are the sawmills not working to-day?

Hon. FRANK WILSON: I suppose the Minister will tell us that. I remember his saying that there would be no lack of employment for those sawmills, but I warned him that they would probably close down. He declared that they were not going to be closed down. I understand they are half closed down now, and next month will close down altogether.

The Minister for Lands: The private enterprise mills are closed down.

Hon. FRANK WILSON: Private enterprise has not closed down, but the State mills are to be closed next month.

The Minister for Lands: Why did Millars' close?

Hon. FRANK WILSON: Half of Millars' mills are closed down.

Mr. O'Loughlen: Nine-tenths.

Hon. FRANK WILSON: Half of the State sawmills are closed down.

The Minister for Lands: No.

Hon. FRANK WILSON: The figures prove it. The State sawmills are earning only half as much money as they did last year; and that is with all the hewn sleepers which the Minister has been working on, and which are now held in stock. Let me carry the comparison a little further.

Mr. O'Loughlen: Why did Millars' close down?

Hon. FRANK WILSON: Because the Government started State sawmills and blew out Millars, as the Government have blown out many others. Why did a number of butchers' shops close down? Why did the implement works at Victoria Park close down? Because the Government knocked them out, because the Government with the people's money entered into competition with the citizens of the State.

The Minister for Lands: You started the State sawmills.

Hon. FRANK WILSON: No. I started a sawmill in connection with the Railway Department, to cut timber for Government requirements, for Government consumption.

Mr. O'Loughlen: What about the surplus?

Hon. FRANK WILSON: I started a sawmill as an adjunct to the Railway Department, the biggest industry that we have, the biggest monopoly that we have, or indeed that exists in any State of the Commonwealth. Just as there are locomotive works to carry out the repairs of the department, or to build rolling stock, so the department has a sawmill to provide timber for its requirements. The fact that surplus stock is sold by any department does not constitute entering into competition with the citizens.

Mr. O'Loughlen: Why not?

Hon. FRANK WILSON: Sales of Government stocks are made every day, and I see that latterly they have been getting larger and larger. Hon. gentlemen opposite have evidently been attempting to raise the wind by disposing of their surplus stocks. I only hope they will get rid of the surplus stocks of timber, which I understand amount to something like £80,000. I am satisfied those stocks will never realise the money put into them.

The Minister for Lands: You hope not.

Hon. FRANK WILSON: It is just about time the Government went into the question to see whether they can reasonably expect to get the full cost of the timber which they have been cutting on spec for the last six months, or three months; to see whether they can get the full cost of the machines and implements which they have been manufacturing on spec at the State Implement Works. I wish to carry my comparison a little further, and to point out that the increase in expenditure per head of population during the past four years has been £4 2s. 7d. on account of revenue, and that the total loan indebtedness has increased in the same time by £24 6s. 11d. per head.

In four years my friends opposite have spent six millions of money more under revenue head—that is, from revenue account, or from deficit, as the case may be—and eight millions more from loan, 14 millions in all, in four years than we spent in the previous four years.

The Minister for Lands: That is not correct.

Hon. FRANK WILSON: The hon. gentleman will have an opportunity of showing where it is wrong. What is the use of being like a parrot in a cage and saying this is not so and that is not so?

The Minister for Lands: I am just putting you right.

Hon. FRANK WILSON: These are the figures in round numbers; not correct to £50,000, but in millions. We have built up a little deficit of 1¼ millions despite all the additional expenditure which was to bring prosperity to our people, despite all the trading ventures. That is the net result. We have spent these enormous sums of money and have built up a deficit of 1¼ millions. In the previous four years the Liberal Government turned a deficit of £208,000 into a surplus of £13,000. But we had invested the public money in railways and harbours and other reproductive works, which in our time returned the whole of the interest and sinking fund on the national debt. Last year some £700,000 had to be paid from revenue on account of interest and sinking fund on our national indebtedness, and that notwithstanding the increased rates and fares which have been placed upon the shoulders of the farming community. That is the position in a nutshell, and I think it is necessary that hon. members should dwell upon it. I make no apology for repeating these figures, or for bringing them under the notice of the Committee. They are all available to hon. members, and it is the duty of hon. members to dwell upon them in order to see whether we can find out whether this money has been wisely expended, and how it is that such a large expenditure has not resulted more beneficially to the State, has not resulted in a more prosperous condition of affairs. The con-

clusion I come to is, honestly, that our loan moneys have to some extent been badly expended during the past four years, and also that largely they have been expended on non-productive works, or works which have not produced as they were expected to. Broadly, the State enterprises are responsible for this position.

The Minister for Lands: The agricultural railways principally.

Hon. FRANK WILSON: No. The Minister should be fair. It was always understood that agricultural railways could not pay from the inception. If a railway is run into unoccupied country for the purpose of attracting settlement, it cannot possibly be expected to pay right from the start.

The Minister for Lands: That is what I am saying.

Hon. FRANK WILSON: But the Government start sawmills and butchers' shops and State steamers with unlimited capital to draw upon, and with a monopoly so far as Government demand is concerned. Surely the Government ought to be able to show some huge profits from these undertakings. Did not hon. members opposite anticipate such profits? Of course they did. Do they tell us that they started these undertakings with the object of merely making the ledger balance? We were told by the Treasurer two years ago that we must look to the State trading concerns to wipe out the deficit, as well as look to the recuperative powers of the State. To-day we do not hear any words of that description. To-day it is simply, "Look to the harvest. Rain has come. Beneficent Providence has smiled upon us, and we are going to have a bumper harvest. Notwithstanding all our mistakes and extravagance, that harvest is going to pull us through." The State sawmills, of which hon. gentlemen opposite boast so much, only showed a paper profit of £2,000 last year, and not a penny was written off for depreciation. Will the Minister for Works tell me that that is a satisfactory result? The State sawmills did over £300,000 worth of work. A few months ago the Minister for Works said that the State Implement works were going to show a handsome

profit. He interjected to me that those works would show a profit. And in four or five months they had to admit there was a loss. All these things have been disappointing, and of the trading concerns which have earned any profit for the State of Western Australia there can be said to be only two, the ferries and the tramways, both of which were taken from private enterprise. I am told now that the ferries are a losing proposition; the Colonial Secretary actually said so publicly the other day.

Mr. Willmott: They should never have taken them over.

Hon. FRANK WILSON: That is not the point. Even the markets, one of the best investments the Government had, showed a loss last year.

The Minister for Works: They made a profit last year.

Hon. FRANK WILSON: Allowing for unavoidable conditions, and even for the stocks which are held by the trading concerns, and which were referred to by the Premier, together with the outstanding book debts, totalling £180,000, it must be apparent to every hon. member that the revenue of the country will, for the next 30 or 40 years, be saddled with some half a million of money to go towards interest and sinking fund on that expenditure. It is not a very happy outlook for anyone, not even for my friends opposite. These are matters that Parliament must give closer attention to. It is the duty of Parliament to control the finances, and Parliament should insist on giving closer attention to all expenditure. Parliament must also insist on being consulted before any expenditure of moment is incurred. I have a vivid recollection of my friends opposite on more than one occasion attacking us, and particularly myself, when in power, if we ever failed to consult Parliament on the most trivial concerns. It has taken months to get our Estimates through, because hon. members thought they had not been consulted sufficiently with regard to the expenditure of money. But to-day it is usual for all trading concerns to be started without Parliamentary authority, and the worst of it all is that this is being continued at

the present time. I have a serious complaint to make against the Premier, and that is, his evasion when replying to my questions in regard to the new Diesel-engined steamer, which has recently been purchased. In my absence, the deputy leader of the Opposition asked whether it was true that Cabinet had decided to build a new steamer for the North-West trade, and if so at what cost, and whether the Government would consult Parliament before entering into any contract or committing the country to any further expenditure. The reply to the first question was "No," and the Premier added that designs were being prepared by Sir John Biles for a new steamer to replace the "Western Australia" and to provide for the trade in chilled meat, etc., consequent on the establishment of freezing works at Wyndham. The reply to No. 2 was that the cost could not be estimated pending the completion of the design; and the reply to the third question was that if it was eventually decided to build such a ship provision would be made on the Loan estimates in the usual way. I never doubted for one moment the accuracy of the answers given by the Premier, but what was my astonishment the other day when I found that the new vessel had actually been purchased. Answers which were given to questions asked in another place gave certain particulars as to that transaction and when the papers were laid on the Table of the House and extracts were published therefrom, they showed that whilst I was getting the reply to my question, which certainly conveyed to hon. members in this Chamber that the Government had not decided on any action with regard to a new steamer of any description, a cable had actually been sent closing the deal in regard to this new Diesel steamer. It seems to me that I am not the one who should be so much aggrieved at this treatment, because the House was flouted, and hon. members on both sides resent this evident desire on the part of Ministers to give evasive replies when information is sought. It would have been an easy matter for the Premier to say, if he did not wish to give information, that it was

inadvisable to disclose anything until the negotiations had been completed. But the Premier said "No" in reply to the question. Of course I know what his defence will be. He will say that I asked whether the Government were going to build a new steamer, and that his reply was "No," but that in the meantime the Government were buying a new steamer. Is it right to quibble in such a way?

The Minister for Works: Were we buying a new steamer on the 3rd August?

Hon. FRANK WILSON: This steamer which has been purchased now.

The Minister for Works: No.

Hon. FRANK WILSON: It was on that very day that a cable was sent home from Cabinet, which had had a meeting also on that day, and the purchase was subject to financial arrangements being made; yet the Premier informs the House that the Government had not decided to buy a new steamer. Here is an extract from a letter of the 23rd July written by Mr. Stevens to his Minister in connection with this matter. *Inter alia* Mr. Stevens says—

Following on the interview which Mr. Oliphant as representing the Industries Assistance Board, Mr. John Deuny, the local agent of Sir John Biles, and myself had with you on the 20th inst., on the subject of the proposal to purchase the new Diesel engined steamer "Lalandia" now completing at the yards of Messrs, Harland and Wolff—

Would Mr. Stevens write in those terms if Cabinet had not been considering the proposal or if Cabinet had not previously considered the proposal? Mr. Stevens goes on to give a recapitulation of the negotiations which had taken place, and what he was authorised to do from time to time. He says—

May I point out that when it was decided to send the "Western Australia" to England for sale purposes, and to procure a new, specially designed steamer for the Nor'-West coastal trade, I endeavoured very hard to obtain a Diesel-engined vessel, being convinced that that type of ship offered

extraordinary economy in operating as compared with steam-driven vessels.

Then it had been decided to procure a new steamer to take the place of the "Western Australia." Mr. Stevens goes on to point out that he rejected the Diesel tramp, as he calls it, because he knew that to endeavour to adapt her to our special mail and passenger work would only result in a huge blunder. Here is the manager of the State Steamship Company rejecting an offer because he was afraid that to make the vessel suitable for our work would result in a huge blunder.

Mr. E. B. Johnston: Are you sure that is not another one?

Hon. FRANK WILSON: It is exactly the same steamer.

Mr. B. J. Stubbs: For a different purpose.

Hon. FRANK WILSON: Then Mr. Stevens goes on to say that on reconsideration he saw a great prospect of success with such a ship in oversea work, as the service would have a chance of participating in the extraordinarily high freights being earned by oversea ship-owners. Mr. Stevens saw an opportunity of making a profit for the State, and I commend him for that. He went on driving that aspect home, and now pointed out that the steamer was of the most modern design. The speed was 11 knots per hour on a consumption of nine tons of oil, which he considered a magnificent proposition, having regard to the state of the freight market. Mr. Stevens was very anxious that the Government should purchase the boat. Sir John Biles cabled "Sellers are firm; must have cash." Then Mr. Stevens sets to work to see what he can do, and a memorable arrangement was eventually entered into with Sir John Biles, on the sanction of the Government, and we went cap in hand to private money lenders in London and raised the money in order that Western Australia might become the proud possessor of a steamer costing £140,000. I cannot imagine a greater exhibition of financial folly than the sad spectacle of our Government, which spent eight and a

quarter millions last year, going to private money lenders to raise a paltry £140,000 to purchase a Diesel-engined tramp steamer, as it was termed by the manager of our State Steamship Service. Then we have it put before the Government by Mr. Stevens that it is a magnificent proposition which the Government should avail themselves of, and that the reason why it would not be cavilled at was the fact that the Government did not have to pay cash down, and that the high freights for oversea work would enable that steamer to earn a huge profit, and that the Government of Western Australia would get the credit for solving the problem of the carriage of wheat in bulk to the foreign market, and last, but not least, it would give the gentleman who was writing, a chance to put the State Steamship Service on a favourable footing and enable him to prove that he was a good steamship manager. I do not see why Western Australia should be driven into a corner and should be made to speculate on the freight market, and should go to private money lenders to borrow money with which to buy steamers for any of the reasons which have been enumerated, and which Cabinet accepted as a justification of the deal on which they were embarking. It is just about time Parliament put its foot down and said, "We will have none of these deals; we will not allow any Government, Labour or Liberal, to embark upon huge expenditure unless the proposals are first submitted to us, and the expenditure sanctioned by us."

Mr. E. B. Johnston: If we had had the Public Works Committee it would have been different.

Hon. FRANK WILSON: The proposal would never have been submitted to them; the steamer would have been bought just the same. I can assure the hon. member the Government would have said they were buying some plans, and as they bought the "Western Australia" and the other steamers composing the present fleet, so they would have purchased this steamer, public works committee or no public works committee.

But I can see from the records that Ministers were firm, and that it took a lot of persuasion by the manager of the State Steamship Service to overcome their scruples. They said they did not want to be saddled with another such desperately bad proposition as, for instance, the purchase of the "Western Australia," and that whilst they might be prepared to favourably consider the new proposal they must be absolutely certain that there was nothing underlying the offer which they did not know of.

The Minister for Mines: That is caution.

Hon. FRANK WILSON: It reminds me of the days when I repeatedly declared that the "Western Australia" was hopelessly unsuitable for the work she was to carry out, and that no man could make her pay. I was then jeered at by my friends opposite, and year after year they have persisted in running the boat, until now they have had to send her Home to get what price they can for her. I commend them for it. Probably they will get a reasonable price, owing to the war.

Mr. Munsie: Is there no chance of her being torpedoed on the way Home?

Hon. FRANK WILSON: It would be the best solution of the difficulty. But they have not the grace to say, "We have made a mistake; we are not going to perpetuate that mistake, and we are not going to make another like it, and so we put the matter before Parliament." In support of the remarks I have made in regard to the State Steamship Service let me just quote from the file what the manager thinks of those persons who have run the service in the past. He intimated that the "Kwinana" was getting old and ought to be disposed of, but he said he would like to point out to the Minister, for the relief of the minds of those administering this branch of the public service, that the chance of being at last provided with economical and up-to-date machinery was very great indeed, which was particularly gratifying after the strain of conducting the service with the old, decrepit, badly designed, uneconomi-

cal plant with which it had been previously equipped. Can we have anything more conclusive, more strongly endorsing the criticism in which I have indulged in the House in regard to our State Steamship Service from time to time?

Mr. Willmott: If they read this they will never buy the boat.

Hon. FRANK WILSON: Then I pointed out how he suggested it should be paid for. Inscribed stock has been issued for £175,000 to be lodged with those private money lenders in order that we may own this vessel. That inscribed stock is to carry 4 per cent.—under our Inscribed Stock Act it cannot carry any more at present—but it is to provide 5 per cent. on the purchase price of £140,000. And the remarkable thing is that we have in fact to charge the Government with having given instructions for the issue of this inscribed stock without any legal authority whatever. The instructions were, I think, that the inscribed stock was to be issued against a Loan Bill to be brought before Parliament this session; at any rate this is the minute which the Under Treasurer, Mr. Black, wrote on the 23rd August, 1915, and which was approved in Cabinet—

If you approve of the proposal and our recommendation it will be necessary to provide in the new Loan Authorisation Bill an item for the purchase of this and other vessels, and for you to fix, under the General Loan Inscribed Stock Act, a special sinking fund of $3\frac{3}{4}$ per cent. which, of course, will be made a direct charge on the State Steamship Service.

Cabinet know they are acting unconstitutionally. They have issued inscribed stock in order to cover, more than cover, the purchase price of this vessel, for which they have no authorisation whatever, according to the minute of the Under Treasurer; yet I presume they expect Parliament to endorse this action. I think it is about time we put a stop to these unconstitutional acts on the part of the Ministry, in order that we may conserve our finances, and economise. This can only be done by having the

united wisdom of Parliament controlling the finances, which I am sorry to say we have lost the control of during the last four years. I do not intend to discuss the Wyndham Freezing Works, because that is a question which is now being inquired into. But it must be seen that we have expended this money without authority, and that in respect to this, together with the Wyndham Freezing Works, we will be committed to half a million of money—because they have decided to purchase another boat in addition to this one, as will be seen by the file. And this half a million of money has been incurred without Parliament having any chance of discussing it. Then we have another large deal, for I see by an interesting account in the newspaper that they have been casting cylinders for a new bridge at North Fremantle. I do not know what the cost of that bridge will be. It may be £10,000, £20,000, or £50,000. No one knows except the department—and I wonder whether they know.

The Minister for Works: I wish it could be done for £50,000.

Hon. FRANK WILSON: Yet this big work is to be undertaken, and we do not know where it is to be. We knew last year that they were spending a few thousand in boring to find a suitable site, but no further information has been afforded to the House, no scheme has been put before us, we do not know any particulars as to height or length, or probable cost, or anything in connection with it.

The Minister for Lands: Until the cylinder is made we cannot estimate the cost.

Hon. FRANK WILSON: Oh, yes, you can.

The Minister for Mines: The cylinder is to test the foundation.

Hon. FRANK WILSON: You can test the foundation with bores.

The Minister for Mines: You did that with the dock.

The Minister for Lands: And with the filter beds.

Hon. FRANK WILSON: The hon. member threw £80,000 into the river. I spent £40,000; he spent £2 to my £1.

The Minister for Lands: You spent £140,000.

Mr. Willmott: You are both to blame.

Hon. FRANK WILSON: In my case the work was put before Parliament before a penny was spent, and that is all I ask hon. members opposite to do in regard to this.

The Minister for Works: You made preliminary investigations before bringing it before Parliament.

Hon. FRANK WILSON: Undoubtedly.

The Minister for Works: That is what we are doing now with the bridge.

The Minister for Mines: Nothing has been decided in regard to the bridge.

Hon. FRANK WILSON: Well, why spend the money?

The Minister for Lands: To avoid the blunder you made with the filter beds.

Hon. FRANK WILSON: The Minister is talking to me about blunders! Why, everything he has done, every agreement he has made, every contract he has entered into has been a blunder, costing the country in the aggregate hundreds of thousands of pounds! And he has the cheek to talk to me about blunders! He will have cost the country millions before we are done with him, and have cleaned up the businesses he has embarked upon.

Mr. Munsie: We will have to consider getting rid of him.

Hon. FRANK WILSON: I think you are already doing so. If hon. members do not realise their responsibilities, they will wake up to find the country is committed to millions of expenditure. One million here, another half million at Rocky Bay, steamers purchased without sanction, trading ventures embarked upon without capital, and the country committed to many millions of expenditure. That is the reason why I inaugurated the return at the end of our Loan Estimates. When I was in the Works Department I said Parliament was entitled to have a full and complete statement

of the probable cost of the completion of every work, and I put in these columns, including column 7, which gave the amount required after the commencement of the financial year to complete the works. That column 7 has been carefully deleted since our friends took office, and I want to know why such valuable information should be denied to Parliament, which is responsible for the safe conduct of our financial policy? This return in connection with the 1910-11 Estimates showed that when we went out of office it would require four millions of money to complete the whole of the public works we had then in hand or projected.

The Minister for Works: You did arrange for four millions?

Hon. FRANK WILSON: Parliament knew all about it. Parliament had passed the works and sanctioned them, and knew that that was the estimated expenditure to complete the works. Our friends have increased the national debt by 14 millions without having very much to show for it. Book entries are very easy. Any one can give a book entry of expenditure; but what work has been carried out which has increased the employment of labour or has increased the wealth of the people within the last four years in any way commensurate with the public expenditure? That is the point we have to consider and not pass it off lightly with the remark that it does not matter. It matters a great deal, because every million of money we borrow and every million of money we expend is exhausting the market for the future raising of capital for necessary work. Therefore it is imperative for members to realise their responsibility and see that they are consulted and that they know exactly what they are getting for the money passed in these Estimates. The Estimates placed before us for the coming year are not of a very cheering description. They show, at any rate so far as the departments are concerned, that the economies—some having been made—will result in the increased expenditure I have mentioned of £40,000 or thereabouts. The trading concerns, which

are more of a speculative nature, show very badly indeed. Take the steamers and the sawmills, the brickyards and the implement works, the butcher shops, the fish stalls and the quarries giving a shortage in cash of £20,000 and no depreciation can be provided in these Estimates because they are only Treasury figures of cash receipts and expenditure. Though depreciation other than $\frac{1}{2}$ per cent. sinking fund has not yet commenced to accrue so far as these are concerned, because we have over 14 millions of loan money which does not carry sinking fund, these trading concerns on the Estimates show that we shall be £20,000 cash out of pocket by the operations at the end of this financial year. This will be swallowed up I suppose in any stock or loss or book debts of that brilliant establishment the implement works at Rocky Bay. And when I point out that we have half a million invested in the trading concerns and half a million estimated turnover per annum, I ask hon. members whether they are satisfied with the position or the future prospects. Can one of these concerns show a margin of profit if proper depreciation is charged up? The answer will be in the negative every time. The ferries, as the Colonial Secretary has shown, are a losing concern, whereas they ought to be one of the best paying concerns. The boat which was going to work wonders has been tied up, I believe, because she is unprofitable. These things, including the trams, are monopolies, and if anything should pay surely monopolies should. I can quite understand fish stalls and butcher shops losing money, but I cannot understand tramways and ferries and works of that description which are absolutely State monopolies losing money at all because, if they do lose money, it is owing to bad administration. Even the State hotels show a margin of only £4,000.

The Minister for Mines: Owing to the Kitchener pledge.

Hon. FRANK WILSON: And no rent or ingoing is set against this. State hotels also constitute a monopoly because they are established only where

there is no competition. The Yanda-nooka estate, which has an estimated profit of something like £15,000, seems to be the only gleam of sunshine in an otherwise depressing tale which has been told. I wish to draw attention to the Water Supply, Sewerage, and Drainage Department. This is a great department which was amalgamated on the advice of the present Minister for Lands. He prophesied great benefits from the amalgamation and great economy—

The Minister for Lands: Which has been realised.

Hon. FRANK WILSON: It does not seem that it has been realised. It does not appear that any economical or beneficial results have accrued from the amalgamation. There has been plenty of friction in the department, and recently we had the experience of one of the engineers being suspended by the Under Secretary over a trivial matter of disagreement and of being reinstated. The administration charges of this amalgamated concern show an increase of £16,500 for this year. This is principally accounted for by the amount which is chargeable to loan expenditure being reduced by some £11,000. That can be seen on page 106 of the Estimates. The loan expenditure has decreased so that it has been possible to make a reduction in the administration charges of £11,000, and yet the total expenditure has not decreased. If loan works are not being carried out, surely one would expect that the salaries, wages and general charges would be reduced in proportion, but we have no evidence of that. The figures are very interesting. The goldfields supply has an estimated expenditure on general account of £23,000, contingencies £94,000 and interest and sinking fund approximately £176,000, a total of £293,500 for the goldfields water supply, and the estimated revenue is £241,000, so that we are to lose £52,000 on the goldfields water supply for this year. I remember that when we were in office we got this loss down to £25,000 or £26,000. Since we left office it has steadily increased, going higher year by year, and I suppose it will soon be in the region of £80,000 or £90,000 as

it was for many years prior to our taking office. The other water supplies and stock route supplies show an expenditure of £51,000 in the aggregate, with an estimated revenue of £33,000 so that we have a loss of £18,000 on these water supplies. The metropolitan water supply, in contradistinction, is the only sub-department of this huge concern which shows a profit and the metropolitan water supply, which embraces the districts from Midland Junction to Fremantle and includes sewerage as well as water, has an estimated expenditure of £134,800 and a revenue estimated at £150,600, so that here we have a profit of £15,800 which either goes as a set off to the loss on the other water schemes of the State or to minimise the deficit on the consolidated revenue as outlined by the Premier in his Budget. This profit is paid by the ratepayers of the metropolitan area towards the deficit and I begin to think that we are really on the wrong track. We have no right to get the ratepayers of the metropolitan area to contribute to our national revenue in this way. On the other hand, we had no right when it showed a loss of a few thousand pounds to charge the national revenue with the loss. I begin to think this department ought to be divided once more and that it would be better managed under a board of works appointed from the municipalities and the other bodies concerned more especially in the metropolitan area. I do not think we are on the right lines, and again I protest that the ratepayers are the people who ought to enjoy the profit or bear the loss upon an undertaking established by law especially for their benefit. To hurry along, the Estimates generally seem to show a feverish anxiety to swell the revenue figures on paper to meet the enormous expenditure, rather than a determined effort to reduce expenditure to meet the revenue which we might reasonably anticipate. If we take the figures on page 7 of the Estimates, I ask hon. members how can we possibly hope to realise the large sum of £364,000 more revenue this year than last year. If we take the main items, we find by a most casual inspection that there is evidence of largely over-estimated rev-

enue. Take the railways, no one can tell me we can expect to get the huge advance of £200,000.

The Minister for Lands: If we do not, we should not build any more railways.

Hon. FRANK WILSON: We will not get it.

The Minister for Lands: Then it is time we stopped building railways.

Hon. FRANK WILSON: The circumstances do not warrant an estimate of this description for this year. The Trans-Australian trade has fallen off. Against that we have the harvest but that will amount to only something like the estimated increase.

The Minister for Mines: There is the extra mileage.

Hon. FRANK WILSON: But there is the reduction in the Trans-Australian railway traffic which accounted for a considerable portion of our revenue last year. We cannot expect to get within £150,000 of that revenue. We cannot get the revenue estimated from the State batteries under the Minister for Mines. He expects an increase of £40,000. It is true that £25,000 is to be derived from the proceeds of the sale of tailings in which the Government invested money last year but there is £15,000 which he cannot possibly hope to get, unless something quite unheard of arises in the neighbourhood of these batteries which we cannot fairly anticipate. Therefore, these figures have been swollen. Who expects to get the revenue from the implement works after the dire results of last year? How do we expect to get the estimated revenue under present conditions from our harbours and rivers? Can we safely estimate an increased revenue? Anyone with the slightest experience in financing a big concern would come to the conclusion that this estimate of revenue cannot be realised by some £180,000 or £200,000, and, as I have pointed out, the expenditure has been increased. There are slight increases of expenditure shown in all the departments with perhaps the exception of the Lands Department, the Attorney General's Department, and the Works Department. The Lands Department decrease is mainly owing to dispensing with

the services of land inspectors and the closing down of district offices. It is a general closing down. It is a deplorable fact that since 1911 the land settlement policy so beneficially inaugurated previously has been abandoned. The shutters are almost up: we might as well hang out the sign—"No business doing." We started on the down grade with the disastrous regulations of the ex-Minister for Lands, Mr. Bath, stopping transfers and destroying the credit and security of our lands, and we have continued since cutting down the area of land we were surveying and reducing our staff until to-day we might say operations have almost ceased.

Mr. B. J. Stubbs: We have the largest area under crop. That is the best criterion.

Hon. FRANK WILSON: The endeavour to put into practice the land nationalisation theories of our friends opposite and the cold water they threw on the immigration policy and the gradual cessation thereof have all helped towards the unfortunate financial position of to-day, and again I point out that the overloading of our Agricultural Bank with the financing of people who have hitherto one of the mistakes from which the Government are now suffering so greatly and four years ago. Notwithstanding that me which are retarding their efforts to put our farmers and settlers on their feet once more. Our future depends upon our lands. There is room for millions of people if we only continue the policy of four years ago. Notwithstanding the memorable statement of Mr. Needham in the Federal Senate on one occasion when he said we had not sufficient land for our own people, I venture to say we have room for millions of people to be settled on our good agricultural land with a fair prospect of making good success within the borders of this State to-day. The Attorney General has shown us some little economy in his Estimates but they are covered by the items of general election and rolls. My friends opposite do not anticipate a general election just yet, and have not provided any money

for it. The saving, therefore, is more apparent than real.

Mr. Munsie: You are not disappointed there is not going to be an election, either.

Hon. FRANK WILSON: In the Works Department, which is engaging all the activities of the Minister for Works just now, we have a saving prophesied of £39,000. This is made up by transferring the vote for the renewal of the North Quay, or the Victoria Quay, to Loan or Trust Account. An annual vote of some £15,000 is set aside to provide for this necessary work, and now this is to be transferred to proceeds of property trust sales which practically amount to loan money, as hon. members have often reminded me on previous occasions. By leaving out such items as new schools and quarters an amount of £14,400 has been saved. In these three departments, although the aggregate expenditure is £40,000 more than it was last year, the economies are accounted for by a little bookkeeping; so that there are no real economy or saving by any means. The summing up of the position is that the total amount available this year for expenditure, according to the accounts which have been distributed, is £4,491,000. Yet we are invited to authorise an expenditure of £5,746,000, and to leave an accumulated deficit of £1,254,629 at the end of the year, an increase in the year of £241,000. I regret the position exceedingly and wish I could see a way out of it quickly. It would be a long job to rectify the state of affairs into which we have drifted. I am sorry the Premier should again cast covetous eyes towards the sinking fund, and should blame the sinking fund, which in past years we have been accustomed to boast of and to declare was the foundation of our sound financial position so far as loan moneys were concerned. This sinking fund, which he dwelt upon at such length and with such stress, cannot really be blamed so much for our position financially, because including the contributions towards the sinking fund and the amounts earned by trustees on

investments, we had a sum in 1910 of £330,000. Last year, according to the Premier, it amounted to £377,000. There we have a difference of some £44,000 only, which cannot truthfully be said to have affected our position very much one way or the other. I am deadily opposed to any suggestion of interfering with our sinking fund.

Mr. George: Hear, hear!

Hon. FRANK WILSON: I would remind hon. members that when we reduced the rate one-half per cent. some four or five years ago we went as near to the safe margin as we could go.

Mr. James Gardiner: Three and a-half per cent. investments.

Hon. FRANK WILSON: To make a sinking fund which would redeem our loans in 56 or 60 years on $3\frac{1}{2}$ per cent. investments is a reasonable proposition, which was accepted by Parliament and I think has been accepted by the people who lend us money as being a safe one. We ought not to interfere with it, then.

The Minister for Lands: No one suggested that there should be any interference.

Hon. FRANK WILSON: Then I cannot understand the Premier's words as I read them. Of course if I put a wrong construction on his remarks—

The Minister for Lands: You have done so.

Hon. FRANK WILSON: At all events that is a suggestion which came from the Premier in his Budget last year and also this year, as I read it. I did not hear the delivery of the Budget, but he has made the statement as to what he does propose to do in regard to the sinking fund. I want hon. members to read the admirable paper which the hon. member for Irwin (Mr. James Gardiner) sent recently to the Royal Commission in Tasmania, and which was published in the newspapers here.

Mr. James Gardiner: Ten days ago.

Hon. FRANK WILSON: This paper is well worth reading and it puts the position very concisely and clearly so that every one can understand it. I do not mean to say that I agree with all the

conclusions which Mr. Gardiner put before the Commission. I do not agree with the answers he gives to questions Nos. 1 and 4, but I am heart and soul with him in the answers he gives to questions 2 and 3. The first question was—

Has the provision of a sinking fund any material effect upon the price and terms obtainable for a loan when floating?

Question 2 was—

Is your present method of investing your sinking fund safe and satisfactory?

Question 3 was—

What in my opinion is the most satisfactory method of investing sinking funds?

Question 4 was—

Should sinking funds be provided to absolutely redeem all loans at maturity?

I have said I do not agree with Nos. 1 and 4 of the answers. They do not affect the position. I would, however, call hon. members' attention to the answers to questions 2 and 3. The answer to question 2 is as follows:—

Your second question is somewhat difficult to answer without clearly understanding the full details of your methods. If, as I understand, you draw your sinking fund from your consolidated revenue, on which it is a charge, and promptly hand it over to your State Treasurer, who in return gives you State bonds for the amount, on which you may not be able to realise when required for redemption purposes, then I should not only say your sinking fund is more imaginary than real, but somewhat of a menace to sound finance.

These are the mature considerations of the hon. member for Irwin. As he truly remarked, it is a menace to sound finance and is practically the same thing as to do away altogether with sinking fund, and as a consequence the sinking fund becomes more imaginary than real. The hon. member continues in his answer to question 3 as follows:—

I say unhesitatingly that the safest investment and the freest from market fluctuations is to buy the very stock that the sinking fund is provided for to redeem (if I remember rightly it was a provision insisted on by the British Government when they guaranteed the South African loan after the war).

I do not know whether that is so. At all events I agree with the conclusion that he comes to there. The safest investment that we can possibly make is to buy the stock that the sinking fund is provided for to redeem. I hope that the House will let it go forth with no uncertain sound and voice that the Treasurer must not interfere with the trustees in the investment of what is absolutely trust money and should be beyond the control of any Treasurer. I shall probably, if I am able, take some opportunity of getting an expression of opinion from the House on this very point, namely as to whether the Treasurer can interfere with the trustees, and whether he has power, or not, to do so, which I very much doubt. Of course, no matter what the difficulties are, and I know there are many, we must do the right thing. I hope at any rate Parliament will never agree to the abolition of the sinking fund.

The Minister for Lands: No one ever suggested anything of the sort.

Mr. James Gardiner interjected.

Hon. FRANK WILSON: Taking it by and large, if we have a sinking fund with the whole of the lands of the country as full security, it does not matter very much whether one loan is redeemed earlier and another a little later. That is a big question which can be dealt with on some future occasion in detail. I do want to point out that we have raised our money on an understanding, an undertaking and a contract, with the money-lenders at home, and that anything we do to the sinking fund to-day will naturally affect future loans. I cannot imagine that the wildest socialists would repudiate the terms upon which existing loans had been floated.

Mr. B. J. Stubbs: Has there been any such suggestion?

Hon. FRANK WILSON: Therefore, in any case, the Treasurer cannot find any relief of the existing position from that point of view. I notice he says he is going to approach the trustees to have the sinking fund invested in inscribed stock, or Treasury Bills that he may issue. He is going to do exactly what the hon. member for Irwin says would make the sinking fund more imaginary than real. It would be suicidal. He is going to issue paper and take the sinking funds themselves for future loan.

[Mr. McDowall took the Chair.]

The Minister for Lands: You are distorting; you are misrepresenting what he said.

Hon. FRANK WILSON: The Minister for Lands is not stating the facts.

The Minister for Lands: You are not quoting him correctly.

Hon. FRANK WILSON: The Minister has no right to make that remark to me.

The Minister for Lands: You are not quoting him correctly.

The CHAIRMAN: Will the Minister withdraw the remark?

The Minister for Lands: I said that the hon. member was not quoting correctly. Surely I can make a statement like that. Of course if it is offensive to him—

Hon. FRANK WILSON: It is offensive to me. The Minister says I am distorting—

The Minister for Lands: I want to say that the Premier did not state what the hon. member says he stated.

Hon. FRANK WILSON: I ask for a withdrawal of the offensive statement that I have distorted facts.

The CHAIRMAN: The Minister for Lands must withdraw the statement if the hon. member thinks it is offensive.

The Minister for Lands: If you wish me to do so, I will withdraw it.

Hon. FRANK WILSON: I advise the Minister to read the Premier's remarks.

The Minister for Lands: I heard the Premier's remarks myself.

Hon. FRANK WILSON: I read the Premier's remarks to the House, and in them he stated that he intended to ap-

proach the trustees in order that they might devote the sinking fund to inscribed stock or Treasury bills which he might issue.

The Minister for Lands: He simply suggested that, he did not say he would do it.

Hon. FRANK WILSON: The Premier said "I intend to approach." I class this as the expedient of a spendthrift—a man who will interfere with a security of that description. It is like the remark made by the hon. gentleman this afternoon, namely, that of buying goods on credit and selling them at a loss in order to raise cash to tide over a critical period. It always ends in disaster, and we can be no exception to the rule if we go on in this way. I doubt the power which he claims to have to be able to approach the trustees, or that the trustees have the power to invest these funds in future and new loans. I hope, at all events, that Parliament will say that no such thing can be done.

Mr. James Gardiner: I do not think the trustees are restricted under our Acts.

Hon. FRANK WILSON: I think they are.

Mr. James Gardiner: Crown agents are restricted but not in taking up our own stock.

Hon. FRANK WILSON: We know that the Federal Treasurer must of necessity raise all the money he can. In my humble opinion the Federal Treasurer does not know what economy is any more than my friends opposite know. Anyhow, he has to raise large sums of money for war purposes; and we all agree with him in doing so. The Federal Treasurer has been taking all the available cash in Australia, and I see that he is to put another instalment of his loan upon the market very shortly. He will require large sums of money—I said millions, when I commenced my remarks. I venture to think that the Federal Government will have to raise anything from 100 to 150 millions by the end of the year, and therefore it stands to reason that we in Western Australia and also other States are in

the position of having to depend upon the crumbs that fall from the Federal Treasurer's table.

Mr. James Gardiner: Or pay higher interest.

Hon. FRANK WILSON: There is no question we shall have to pay higher interest. I have been pointing out for the last four years that we were running amok in our borrowing and spending of money, and two years ago I pointed out that we had this bad time ahead of us in view of the bad harvest then threatening.

Mr. Foley: I never heard you predict the war.

Hon. FRANK WILSON: In point of fact I did predict it, when in London four years ago, and predicted it strongly, in connection with the question of conscription. Further, I did predict the financial disaster that has come upon this State in view of the way we were going on. I recognised that disaster was bound to come, and here we reach the position which verifies my prediction. Last year I showed that we could not possibly hope to get the revenue anticipated by the Treasurer. I also pointed out that the deficit would reach about £1,000,000, instead of £700,000 as estimated by the Premier. Further, I pointed out that despite all the curtailment of expenditure and all the economies effected in the service, we could not hope to finish the financial year within the Estimates then placed before Parliament. The only economy which we have engaged upon is that 7-80 business, and that has been just as lightly abandoned as ever it was inaugurated. The position is serious, if not dangerous; and I ask hon. members to think what should be done in the circumstances, and to endeavour to see what can be done to pull the State out of the financial hole into which it has drifted. I would like to know whether the Government are prepared, honestly and strenuously to set their house in order, to set about with a determination to do something? Are they prepared to inaugurate a scheme of sane retrenchment—not insane retrenchment, such as the Premier talked about

in his Budget Speech, but sane retrenchment in all branches of the departments after due inquiry made? Are they willing to stop the insane speculation with public moneys to which I have referred at some length this evening? We are here as administrators. What right have we to embark in a speculation in freight, tempted by a high freight market? It might be perfectly justifiable so far as we were concerned as individuals, because we should be taking the risk; but it is not justifiable from the point of view of administrators. We must stop this get-rich-quick business, on which the Government have embarked with a view of wiping out the deficit. That kind of thing never succeeds. Will the Government close up useless and losing State enterprises? Will they borrow for reproductive works only? Will they open up the lands of the State, and prepare for future settlement, so as to provide for the millions of men who will very shortly want opportunities of earning a living, notwithstanding the great loss of life that the Empire is suffering? There are great numbers who have lost their occupation, and will have to go back to the land. There is our opportunity. Let us prepare for those men when they come back. Will the Government stop sinking money in stocks which will never be realised, which depreciate? That amount of £184,000 will never be realised. Will the Government encourage the investment of capital, and give more freedom to labour at the same time? One thousand pounds of private capital invested in the industries of our country is worth £50,000 of borrowed money, for which the State is responsible, whether we have good times or bad times. Above all, I want to know will the Government stop secret contracts, and will they consult Parliament before incurring expenditure on new undertakings? In this connection I may briefly refer to the Monteath Bros. pipe contract. Here again the malign influence of the Minister for Lands seems pronounced. I have here extracts bearing on the contracts, though I have hardly time to deal with

them fully. Hon. members know, however, that the contract was entered into secretly last year. Another Powellising contract, I might say. We are going to pay on a minimum quantity; we are going by the rise and fall of the pig-iron market; we are going to take pipes whether we want them or not; and we are going to pay good golden sovereigns for them. It is things of this sort that discredit Western Australia in the eyes of right-thinking people, in the eyes of people, who want to invest in our lands and our industries. Mr. Davies, who of course just now is not of much account with the Administration, though he was a short time since the apple of their eye as an engineer and a State manager, Mr. Davies, who has been sacked—

The Minister for Mines: Who resigned.

Hon. FRANK WILSON: Mr. Davies, who resigned, has made certain charges, and he was very emphatic about this pipe contract. At the time he commented upon it, he was looked upon as the crack manager the Government had in their pay. On the 23rd February last he wrote as follows:—

I have perused the agreement, and to say I am surprised that such an arrangement should be fixed up is expressing my feelings a bit mildly. I am of opinion that inquiries should be instituted as to why such an agreement was made, as I can positively prove that the Government are losing between £12,000 and £15,000 over the deal.

Mr. B. J. Stubbs: He has the opportunity of proving that now.

Hon. FRANK WILSON: I do not know that he has.

Mr. B. J. Stubbs: He has, in the inquiry.

Hon. FRANK WILSON: Mr Davies continues—

A contract has been entered into to pay a price of £10 15s. per ton for pipes which we are supplying for the sum of £9 15s. per ton. In my capacity as manager of the implement works, or in a private position, I would gladly have contracted with the Water Supply Department to fulfil

their requirements as set forth in the agreement for £8 15s. per ton, and on this basis you will see that the Government would save £12,000.

Hon. J. D. Connolly: When did he write that minute?

Hon. FRANK WILSON: On the 23rd February.

Member: Before he resigned.

Mr. James Gardiner: Is not this before the Royal Commission?

Hon. FRANK WILSON: This has nothing to do with the Commission at all.

The Minister for Mines: Yes, it has.

Hon. FRANK WILSON: I hope it will come before the Commission, but so far it has not done so. There is Mr. Davies' evidence for what it is worth. Outside firms had no opportunity of tendering for the construction of these pipes. This is a secret contract with one firm. Tenders were not called, and an excessive price was paid.

Mr. B. J. Stubbs: Tell us any other firm that could tender.

Hon. FRANK WILSON: It is commonly talked about that £20,000 profit has been made out of the deal. I ask again, is this the way to conduct the affairs of the State? We have had these things ventilated over and over again, until I am tired of mentioning them. The Minister may laugh, but he will get his due desserts sooner or later. First we had the purchase of steamers, all second-hand, which have been so disastrous, as set forth by the manager of the State Steamship Service. We have had the establishment of sawmills, implement works, and butchers' shops; we have had the famous powellising agreement, and the million sleeper contract, which was entered into as part consideration and which, without explanation, has been cancelled. To this day we have never seen the contract. We have had a sleeper freight contract cancelled, and compensation paid. Then there is the Wyndham freezing works contract, which was cancelled, and which is now being inquired into. Then there is the Monteath pipe contract, which will probably be cancelled at a later date. Then we have the purchase of the

Diesel engine steamer, a secret deal. Also there is the placing of the power house contract in London semi-privately. No tenders were publicly called for this in Western Australia. I believe tenders were called in London, but only privately from various firms. All these matters tend to create a feeling of unrest throughout the ramifications of this State, and I venture to say that Parliament will not be doing its duty unless it stops—

Hon. R. H. Underwood (Honorary Minister): Why do you not come over here and manage?

Hon. FRANK WILSON: I will if the hon. gentleman will get out. I should not like to sit alongside him. I am particular about my company, and I must admit I do not like the Honorary Minister's company. The matters that I have mentioned as discrediting us will hang for years in the mind of anyone interested in Western Australia. They will hang in the minds of those who have capital to invest in our securities. In the course of his Budget Speech, the Premier did not discuss many matters of importance to which he might have referred. I admit that he said his time was short, or that he wanted to make a short speech. I should have liked references to such matters as the future working of the timber mills. I hope Ministers will give us some information as to how they intend to employ these mills without the swallowing up of capital which the Government have not to spend. I should like explanation as to the extra expenditure on the electric power house. We want to know about further capital required for the Agricultural Bank. Is more capital required, and if so to what extent? Many of these matters which the Government might have explained in connection with the bringing down of the Estimates have been passed over and left utterly untouched. I venture to ask Ministers when they do speak to let us have the fullest details of what they propose to do. Federal taxation has already come to almost every avenue of State taxation, as was prophesied on many occasions. We have Federal customs, land and income taxes; and the income

tax is going to be very heavy. The people cannot contribute much more. Huge expenditure is imperative, and I suggest that Ministers should take the subject of finance into consideration. If they feel that they cannot handle affairs properly and faithfully in the interests of those whom they represent, it is about time they should get out and make room for someone else.

Hon. R. H. Underwood (Honorary Minister): You put us out.

Hon. FRANK WILSON: We have the competition of the Federal Savings Bank, which has seriously interfered with our State Savings Bank and our deposits. The increased rate of interest we are offering may help to stem the tide in some measure, but I doubt it very much. Certainly we want to make every effort to formulate such a policy as will encourage the settlement of our lands and agricultural development, make the security of our lands undoubted, and ensure that those who lend money on our freehold are duly protected. All our best lands might be surveyed at the present time in large areas, so that we shall be ready for settlement when we can obtain the people. Every man who will clear an acre of our land should be encouraged to the utmost, in order that we may bring about that production which is the sure foundation of all prosperity. Settlement will follow—there is no doubt about that. It may be slow, owing to our peculiar circumstances, but the policy will be sound and will be right and lasting for all time. Every penny that we can borrow at the present time—and we shall not be able to borrow much—should be expended upon works which will provide for reproduction. That is what will increase the production of our country and it will mean increased benefits to the citizens. How we can best encourage production is the problem which must be solved in the near future. I do not envy the Government the work they have to do in the position they find themselves in. I did not intend, if I appeared to be unduly harsh in my criticism, but I want to emphasise the position, that when people have made chaos of the finances, if they will not

listen to reason and adjust those finances the only solution is to move them from office.

Mr. JAMES GARDINER (Irwin) [10.3]: I have listened to the speeches of both the Treasurer and the ex-Treasurer; in much of them there was information, in much of them there was criticism, and in some portions of them there was a certain amount of defence. The Treasurer opened with a reference to the war. Every time I think of the war I get heartache, so that I will not say much about it. I notice that the *Sunday Times* with its adhesion to the German principle of fair play—I want that clearly to be understood—the German principle of fair play—states with regard to the Budget, that the voice was the voice of Jack and the work was the work of Jimmy. This inference is as unfair as it is untrue. It is merely a chronic characteristic of that paper when making any reference to myself. I have listened to 22 Budgets, in various States of Australia, and have delivered two myself, but I have never listened to one which seemed to me so fraught with anxiety to people of the State as the one delivered by the Treasurer the other evening. It seemed to me that there were four prominent points that he brought out and emphasised. I do not purpose to-night dealing with the details, but I will make some comment on those four material points. The first was that he could only finance to the end of October. The second was that the year would end with an extra deficit of £250,000. The third was that economy was to be the keynote of this year's administration, and last, but not least, was a suggestion to abolish the sinking funds of the State. If the loan expenditure cannot be financed after the 31st October, it is a very serious position indeed for this State; it means a cessation of some of the most necessary and vital works in this State, works which are absolutely essential for the State's development. The farmer will be unable to market his produce, because railway facilities which have been authorised by this House will not be there to

enable him to market his crop economically. The expenditure at all ports must be stopped so that primitive and expensive methods must still continue to be employed where they ought to be superseded by up-to-date facilities. In connection with new railways there will be no funds for the construction, either of the necessary approaching roads or for water provision. These disabilities are not only going to affect the earnings of those directly interested, but they will affect the whole community, and they are going to affect the earnings of the State's utilities, and if they are going to affect the earnings of the State's utilities, there is going to be a big shortage in the revenue receipts of this year. Nor does the disaster end here; it means that hundreds of men must be turned out of employment, and at a time when the other avenues that are absorbing that labour are to a certain extent limited. It is true that with the present outlook of the harvest, agriculture will absorb a good deal of surplus labour, but it will not be anything near the amount which must be put into the unemployment ranks if we are not successful in getting sufficient money with which to carry out those works that Parliament has authorised, and which are at present under construction. Surely the gravity of this position must not only come home to us as members of this House, but must go home to every citizen of the State taking an interest in the well-being of the community. The Premier hopes to do something with the Commonwealth Government, but judging from the Prime Minister's remarks, his task will be a difficult one, and we must not lose sight of the fact that the Commonwealth have offered to take the money of the people of Australia under such conditions and terms that the States will only be able to borrow it at a price which seems to us rather prohibitive. My advice is that at the present juncture it will be next to impossible for the State to borrow money except in the region of six per cent., and the Premier knows, when I say that, that it comes from a very good

source. All I can do is to express the hope that the Premier will be able to get sufficient funds to complete the works that have been authorised, and then I say without the slightest hesitation that sanity must govern our loan expenditure in the future, and we have a right to see that all works on which we spend our loan moneys are such that they shall at least have the germ of re-productiveness. The Premier's revenue receipts have been constructed on a fairly optimistic basis. I believe in optimism. I have heard it said that an optimist is a man who does not care what happens, so long as it does not happen to him. If there is any future in a community it is built up by optimism and not by pessimism. It strikes me in reviewing the Estimates that the Premier has practically gone nap on the harvest, and on the discovery of the undeveloped mineral resources of the State. I would like to see both those industries fulfil the Premier's highest estimate so that at any rate when it comes to revenue expenditure his Estimates may be justified. Even then the deficit will be £250,000 extra. I have heard some comment on this deficit, but I will say this, that when I was in the Eastern States every Treasurer looked forward to a pretty substantial deficit, and when we take into consideration that the same difficulties occur in every State, that is, war and drought, and that every Government has had to face a deficit, there might be some justification for this deficit of ours, but probably not reaching the proportions it has done. Let us be fair and say, that under those circumstances, especially where the greatest portion of State revenue is derived from the railways, and there has been little or no traffic in comparison with previous years, that an increased deficit last year was an absolute certainty. I said it last year. I do not care who might have been sitting on the Treasury benches last year, they could not have helped ending up with a pretty substantial increase on their then existing deficit. If the Premier is not able to get any loan moneys, how will he finance the extra

£250,000 deficit? That in itself will be a problem. That very outlook aggravates the position, and makes us look at the whole position of the State without being pessimists and say that it is something we have to grapple with. If we are going to better our position, how are we going to do it? The first cry that comes readily to the lip is to cut down expenditure. Are we going to say to the Government, "cut the revenue to the bone?" Are we going to say, as the leader of the Opposition said, "Let us have this cut down with sanity and not with insanity." It seems to me it is a very difficult thing to issue one set of instructions which says that we must reduce our expenditure, and then say, "No, there must be a saving clause, and that it must be done only in certain directions." Are we going to do as private individuals have done? We frequently hear in this House about what business men do. I know a good many business men in this State, who, when their revenue is decreasing, cut down their expenditure by discharging employees. Are we going to do that? That is the position. The Premier says that economy shall be the keynote of this year's administration. It is quite refreshing to hear economy spoken of. It is going to be more refreshing to see it practised. We talk a good deal about economy. My experience is that we are all advocates of economy until it touches those interests we are concerned in, and then we are no longer advocates of it. There is a lot of sham in the cry of economy in this House. That is the conclusion I have come to. If we could realise that economy practised in good times is the safest insurance in bad times, we would start the regeneration of every Government which sits on the Treasury bench. There are two forms of economy which can be practised. The first is, "Cut to the bone. Discharge every man you do not want. Have a Victorian Black Wednesday." This form of economy may be more disastrous than a deficit. I am not saying that it would not be. To practise that economy a man has to cocaine his human feelings and his feel-

ings of what is best for the citizens. I know it, because I have practised it. When I was in the Treasury it used to be said of me that I had no bowels of compassion. If I had no work for a man I got rid of him. I frequently went home with a heart-ache because my duty to the State clashed with my humanity. But the times were different. In those days there were other avenues of employment ready to absorb the surplus population. Now it behoves this House to see if there are not other means of economy, not so drastic, but which will materially effect savings. The Treasurer tells us that economies have been effected in the various departments to the extent of £259,998. I say it is not correct, that there is no evidence of it. If the evidence is there I want it to be produced to us so that we can say they are legitimate economies. Just take the figures supplied in the Estimates. On page 18 it is shown that the net increases of expenditure for the year amount to £39,604. It can be argued that there has been a very big increase in the outlay under special Acts, including interest and sinking fund. If we turn over to where the savings are supposed to have been effected, on pages 79 and 87, it will be found that there is no justification for calling them savings.

Hon. R. H. Underwood (Honorary Minister): I do not think the Premier called them savings.

Mr. JAMES GARDINER: Nor can we call them economies, because in some of them the decrease is shown by works constructed last year not requiring to be constructed this year, and the amount has been placed on the opposite side as a decrease.

Hon. R. H. Underwood (Honorary Minister): The Premier did not call them economies.

Mr. JAMES GARDINER: Does this £259,998 represent genuine savings, or is it made up by authorised expenditure on work which has not been expended? Another question: Have the Ministers so carefully gone through these Estimates that they can say they are the bedrock, the irreducible minimum which the

State requires to carry on business for the year? Have all extravagances been curtailed? Can Ministers assure us of that? Are members, when considering the Estimates, to be allowed to say where they think the pruning knife ought to be put in, irrespective of party? I am asking this question because on it depends so many things. Are the Committee going to be asked to express their opinion as to where the pruning knife is to be put in and extravagances curtailed, or are Ministers to say "These are our Estimates, and we are going to stand by them, and what the Committee think is not going to have any weight with us"? If that is so what is the use of our discussing the Estimates? Notwithstanding what the leader of the Opposition said, the Estimates have been brought down a good deal earlier than has ever happened since I can remember. One of the reasons why many items have been agreed to in the past was that the Estimates were not discussed, because six months of them had already gone by. There are items in the Estimates on which I am going to have a few words to say, and which I propose to divide the Committee upon; because in my opinion they are extravagances which can be curtailed, and the excuse that half the year has gone by is no longer available, for we can reduce those items for eight months at least. If the Treasurer sincerely desires the assistance of the Committee he should say, "I will pay attention to what the Committee advise as to where economies can be effected, and I will give effect to their wishes." But if Ministers are going to say, as is usually done—I did it myself in days past—"These are our Estimates and we are going to stand by them," what is the use of it? On the other hand if economy is going to be the note, and the Committee are to be asked to take their share in effecting economy, and to be given a reasonable chance of adducing arguments why certain votes should be reduced, then if those arguments are reasonable I take it the votes will be reduced. Again, may I say, without conveying the slightest

offence, let those economies be exercised outside of political bias. Let every section of the Committee say "If we are going to exercise these drastic economies all are to be treated equally, with no consideration for one class or another." And when we find that members merely want to effect economies with regard to the other fellow, let us put our backs up and say "If they are going to be genuine economies, we all have to bear our share, and even if it affects us in our little parochial constituencies, where our advocacy is going to gain for us some kudos at the expense of the State, let us assist His Majesty's financial advisers and cease to be pump politicians." I do not propose to detain the Committee long, but I hope I may be permitted to say a few words on the question of the sinking fund. The reality of our sinking fund has been a faith in Western Australia, and to disturb a man's faith is going a good way towards wrecking his incentive. Once we touch the sinking fund we will be in the same position as the rest of Australia. They have imaginary sinking funds, whereas we have a real one. The Premier's suggestion was one, as the leader of the Opposition stated, which was put to me by the Tasmanian Government, who purpose doing exactly what the Premier thought he could do, namely, to have the sinking fund invested in our own stock. Let me point out that there is difficulty here in several ways. First of all I question whether the trustees who hold that sinking fund would be inclined to invest it in other stock than that for which it was provided. But assuming that is so, I question whether it would be a good deal for the State, because I am certain those trustees would not give us a higher rate for our stock, either in principal or interest, than they could buy the other stock at in the London market. Consequently if to-day we asked the trustees to invest our sinking funds in our, say, 3 per cents. or 4 per cents., they would want to invest them at the same discount as they can purchase those stocks at in the open market in England. Now the Premier's suggestion, I think, was that they should give short dated

Treasury Bills to absorb this amount. I think that after we once let it be recognised that there is a necessity to tamper with these sinking funds each future Treasurer will in turn be able to make a necessity for some work.

The Minister for Works: No future Treasurer will have the same conditions to deal with.

Mr. JAMES GARDINER: That may be, but I say this: If that is the case we can see the result. As I point out in that article which I wrote for the Tasmanian Government, assuming that we had done that with the Coolgardie water scheme we would have given our own stock for that sinking fund and would have to place that stock on the market. So now, instead of getting it at 3 per cent. and redeeming it at 3 per cent., we would have to pay $4\frac{1}{2}$ per cent. plus flotation expenses, which would mean that this State would be paying in interest £37,500 per annum. The danger is, outside the fact that we eliminate the question of sinking fund if we do that, we are practically floating a new loan. And what I am further afraid of is that the money does not come to us in the £250,000 we pay away per annum but comes to us monthly. There would just be the tendency in every Treasurer, if he could get money that way, to treat the sinking fund as the State's petty cash box. I do not think that wise. I do not think the money would be administered with the same care as is devoted to the administration of a loan.

The Minister for Works: The Treasurer could not do it without the consent of the trustees.

Mr. JAMES GARDINER: Before we attempt to deal with our sinking fund, let it be done by a committee appointed by the House to go thoroughly into the matter; because when it comes to the State's credit I do not want to see the responsibility of damaging that credit in a time of extremity thrown on any one individual or any party. There is no doubt this sinking fund does require some readjustment. I will explain in a few words why. Take the Coolgardie water scheme. The sinking

fund is 3 per cent. which is invested at 3 per cent. Three per cent. invested at 3 per cent. matures in 21 years. We have given it a currency of 31 years, so allowing the four years' grace which is allowed us before we start paying the sinking fund, we will be paying sinking fund unnecessarily for about six years. And when that means £75,000 a year, it runs into money. So it is seen that there would be some justification for adjusting that. The next one is the Great Southern purchase, which has a life of 39 years at $1\frac{1}{2}$ per cent. That just cuts itself out, were it not that we have been accumulating big discounts on all these. So in respect to the Coolgardie water scheme and the Great Southern purchase, the position would be that whilst we provide a certain sum to redeem that total at maturity, by the discounts we have made it would mature a very long while before. Indeed, on the Coolgardie water scheme, instead of 3 per cent., $1\frac{1}{2}$ per cent. would redeem the whole of that loan. The leader of the Opposition referred to the latest sinking fund as $\frac{1}{2}$ per cent. The $\frac{1}{2}$ per cent. invested at $3\frac{1}{2}$ per cent. would take 60 years to redeem. Our loans are generally for 40 years, so that means we are only providing a sinking fund for partial redemption and not for total extinction. We shall have to go into this matter very systematically. There is just this point, that it would require to be done only in a time of the greatest stress. We hold something like £3,600,000 of our own securities. They belong to Western Australia and not to the English investor, and have been redeemed by the sinking fund. In time of stress, but it would have to be the greatest stress to justify it, we might say "There are these stocks belonging to us; we can suspend the interest and sinking fund on them for 12 months, and that would mean £170,000." There would be no breach of faith involved because it is our own stock and we would continue to pay on our outstanding stocks. But even I, who make that suggestion, would be extremely tardy of applying it unless there was no other method of meeting our financial difficulties.

The Minister for Lands : If we have to approach it, that is the first way in which we should approach it.

Mr. JAMES GARDINER : To show what difficulties come in investing funds and sinking funds, the Crown agents were precluded from investing in the funds of our own State, and we hold £441,000 worth of other securities, and I venture to say that if we put them on the market to-day there would be a discount of about 25 per cent. on the lot. I listened to the comments of the leader of the Opposition and with many of them I agreed. Some of them, I think, were not quite fair. For instance, he spoke of the loan expenditure and said there is practically nothing to show for it. That is neither right nor fair. I am not going to justify it because the leader of the Opposition himself, when in office, started paying for some things out of loan which I used to pay for out of revenue—just those little things which are complained of. A start is made and a practice grows, and instead of it being an offence, it comes to be regarded as a gift to be admired. On railways in 1911–15, £5,083,000 was spent. A million pounds extra working capital was devoted to the Agricultural Bank. There is half a million for workers' homes and there is the money for the sewerage of Perth and Fremantle running into close on another half a million, all of which are shown. In 1911–12 the works show £2,309,000 ; in 1912–13, £3,409,000 ; in 1913–14, £2,913,000 ; and in 1914–15, £2,512,000. There is much of this with which I do not agree. A lot of that loan expenditure should not have been there until authorised by this House. I have emphasised this before. Prior to the State being committed to a big expenditure which can be foreseen, the Government have a right to consult the House as a whole. There are other occasions when Ministers might see what they, in their best judgment, conceive to be good bargains to the State, and if they did not take the opportunity to benefit the State, I would not think much of them as Ministers. But as soon as a Minister has entered into such

a contract or agreement, the House and the country have a right to be taken into the fullest confidence. The Minister should say—"You have entrusted us to administer your affairs ; we have made that contract. This is why we have made it and this is the result." I would stand or fall that way on my own good judgment and that of my colleagues. This is the position I want the Government, if they are to have the assistance of the House, to take up. If they come here and give us their fullest confidence in those directions, and if they explain how they were placed, the House will have to take into consideration its attitude towards the Government. Are we going to say—"You have got us into a mess ; stay there and wallow in it ?" Is that what our shrunken party souls would say ?

Mr. Taylor : That is what you are saying.

Mr. JAMES GARDINER : I am not, and no man has a right to say so.

Mr. Taylor : Those in Opposition are saying it.

Mr. JAMES GARDINER : It cannot be charged against me that I have uttered any unjust word. If it could be, I would go out of the House. The Government have a right to come to us, and we have a right to say that if they want our assistance and are prepared to do what I have indicated, we must sacrifice the call of party and the criticism of party and say we are standing here for the State.

Mr. Bolton : Some of them cannot.

Mr. JAMES GARDINER : I get more blame and misrepresentation for trying to be fair in this House than all other hon. members put together. I get it from the Opposition, from the Government side and from my own people. When I forfeit my right to try to do what I think best for the State, I shall lose my own self-respect and I value that more than the respect of Press, Parliament, or any one else. While here, I will do my level best and will criticise fairly and honestly. I am willing to give my assistance to this State without fee, if I can be of assistance. We are faced with difficult times and the

measure of our usefulness as members of the House to this community will not be measured by our destructive criticism as party partisans or party hacks, but by our constructive criticism and our constructive ability to help the State in its necessity. To ensure that the Government must have no more secret contracts—

Mr. Allen: We have been saying that for four years.

Mr. JAMES GARDINER: I am not responsible for that or for the errors of the past. If the Government enter into these contracts, the first people to be consulted are the members of this House. If the Government intend to start any State enterprise, they have a right to come to the House and get the capital authorisation and explain whether they can make it pay, or whether there is a prospect of making it pay.

Mr. Allen: If they do not what will you do?

Mr. JAMES GARDINER: Give them all the criticism I can. I am not afraid to do my own duty or anyone else's duty.

Mr. Male: If you do your own it will be enough.

Mr. JAMES GARDINER: This is the position. We all realise the times of stress through which we are passing, and that these times are not only trying for us in this House but for us in this community. Not only is there a shrinkage of State revenue, but there is a shrinkage of private revenues. Every man at this particular juncture is looking forward to trying to weather the storm. That is his ambition, and it should be the aim and ambition of this House. So far as I am concerned—and I believe I am speaking for the little coterie in this corner—it is our aim and ambition to give every assistance possible. But it is idle to give every assistance unless we are satisfied that the economies which are required to be practiced, are real, and unless we are satisfied that the loan works, particularly the new ones, are such that they have the sanction of this House before we are committed to them. Unless we are satisfied that every care is going to

be exercised, I say it is idle to come to this House and ask for sympathy or support. If the Government come to us, I say without the slightest restriction that any brains or ability which I possess, they are welcome to at this present juncture.

[The Speaker resumed the Chair.]

Progress reported.

House adjourned at 10.43 p.m.

Legislative Council,

Wednesday, 22nd September, 1915.

| | PAGE |
|---|------|
| Questions: State teamship Service, Diesel steamer | 984 |
| Unionists and arrears of fees | 985 |
| Industries Assistance Act, Kalgoorlie and Boulder Firewood Co. | 985 |
| Select Committee: Retirement of C. F. Gale | 986 |
| Motion: Agricultural Settlement and Immigration | 986 |
| Bills: Roads Act Amendment and Continuation, report | 989 |
| Industries Assistance Act Amendment, 1a | 989 |
| Cottesloe Beach Rates Validation, 1a | 989 |
| Licensing Act Amendment Continuation, 1a, Weights and Measures, Com. | 989 |
| Government Electric Works Act Amendment, Com. | 990 |
| Health Act Amendment, 2a | 995 |
| Sale of Liquor Regulation, 2a | 1011 |
| Joint Select Committee: Horse-racing control, Interim Report, to adopt | 990 |

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

QUESTION—STATE STEAMSHIP SERVICE, DIESEL STEAMER.

Hon. W. KINGSMILL asked the Colonial Secretary: 1, What circumstances occurring prior to 12th July, but not detailed on the file laid on the Table, led to a report being furnished on the Diesel steamer "Kangaroo" by Sir J. H. Biles? 2, Has he yet ascertained the