

(3) Whether the amendment was a negative of the Bill; and (4) The question of the principle of the Bill. I took those four points as being directly relevant to the subject matter of the amendment. Could the amendment be made in view of "May's" direction? I am still firmly of the opinion, after careful consideration, that hon. members will realise it is just as necessary for the Speaker to make sure that amendments are not expanded or extended beyond what is permissible, as it is for the Speaker to be sure that members exercise their full rights in making amendments. Amendments can be made, there is no limit. In some circumstances, however, such as this amendment, there are limitations; and, as I say, "May" gives the direction that guided and influenced me in coming to my decision.

Motion (dissent) put, and a division taken with the following result:—

Ayes	..	..	..	24
Noes	..	..	..	14
—				
Majority for	..	..	..	10
—				

AYES.

Mr. Coverley
Mr. Cross
Mr. Doust
Mr. Fox
Mr. Hegney
Miss Holman
Mr. Lambert
Mr. Leahy
Mr. Marshall
Mr. Millington
Mr. Needham
Mr. Nulsen

Mr. Panton
Mr. Raphael
Mr. Rodoreda
Mr. Sleeman
Mr. F. C. L. Smith
Mr. Styants
Mr. Tonkio
Mr. Troy
Mr. Willcock
Mr. Wise
Mr. Withers
Mr. Wilson

(Teller.)

NOES.

Mr. Boyle
Mrs. Cardell-Oliver
Mr. Hill
Mr. Latham
Mr. McDonald
Mr. McLarty
Mr. North

Mr. Shearn
Mr. Thorn
Mr. Warner
Mr. Watts
Mr. Welsh
Mr. Willcock
Mr. Doney

(Teller.)

PAIRS.

AYES.
Mr. Collier
Mr. Hawke

NOES.
Mr. Keenan
Mr. Stubbs

Motion thus passed.

Committee Resumed.

Progress reported.

House adjourned at 11.3 p.m.

Legislative Assembly.

Thursday, 22nd September, 1938.

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

BILLS (3)—RETURNED.

- 1, University Building.
- 2, Pensioners (Rates Exemption) Act Amendment.
- 3, Mullewa Road Board Loan Rate. Without amendment.

QUESTIONS (2)—STATE SHIPPING SERVICE.

Flour Freights to the Near East.

Hon. C. G. LATHAM asked the Minister representing the Chief Secretary: 1, On what date did the State Shipping Service and the several other shipping companies concerned enter into an agreement to increase freight charges in respect of flour consigned to principal ports in the Near East? 2, By whom was the agreement signed on behalf of the State and the respective companies? 3, By what amount were such freight charges increased? 4, Was any consideration offered to millers to compensate for the increased charges imposed?

The MINISTER FOR RAILWAYS replied: 1, The Near East flour freight agreement was completed on the 27th May, 1938. 2, (a) By the State Shipping Service on behalf of the State, after the Solicitor General had been consulted and also Cabinet approved thereof. (b) By Alfred Holt & Company. (c) By the Royal Packet Navigation Co. Ltd. (d) By Burns Philp & Co., Ltd. 3, Freight rates to main ports were not increased but the 5s. per ton rebate was

abolished. 4, The consideration offered to the West Australian flour millers was as follows:—5s. preferential freight to all main ports in favour of W.A. exporters, also that the outports to which transshipment must be made shall be open to W.A. millers on the same basis as Eastern States millers.

Sale of m.v. "Kangaroo."

Hon. C. G. LATHAM asked the Minister representing the Chief Secretary: 1, When were negotiations first opened for the sale of the m.v. "Kangaroo"? 2, On what date was the sale agreement signed? 3, Were tenders called in the usual way? 4, If not, why not?

The MINISTER FOR RAILWAYS replied: 1, 2nd March, 1938. 2, On 19th May, 1938. 3, No. In the shipping world it is not customary to call for tenders. 4, The usual shipping procedure was followed, and the definite offer received was considered satisfactory after the market had been tested.

QUESTION—MINING.

Prospectors for Gold, State Aid.

Mr. DONEY asked the Minister for Mines: 1, How many men were helped by the Government during 1937-8 to become prospectors for gold in Western Australia? 2, What are the comparable figures for 1936-7?

The MINISTER FOR MINES replied: 1, 1,354 men were given prospecting assistance during the year ended on the 30th June, 1938. 2, 1,417 men were given prospecting assistance during the year ended on the 30th June, 1937.

LEAVE OF ABSENCE.

On motion by Mr. North, leave of absence for three weeks granted to Mr. J. MacCallum Smith (North Perth) on the ground of urgent private business.

BILLS (2)—FIRST READING.

- 1, Fisheries Act Amendment (No. 2).
- 2, Road Districts Act Amendment (No. 2).

Introduced by Mr. Watts.

BILL—ALSATIAN DOG ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL—PUBLIC WORKS ACT AMENDMENT.

Second Reading.

THE MINISTER FOR RAILWAYS

(Hon. F. C. L. Smith—Brownhill-Ivanhoe) [4.40] in moving the second reading said: This is a small measure that I can explain very briefly. It deals with certain sections of the Public Works Act that govern the conditions pertaining to level crossings over railways and the right of public thoroughfare over such crossings. Experience has demonstrated that there are far too many of these level crossings at present. When transport was much slower than it is to-day, and when commercial vehicles carrying freights out of the metropolitan area were drawn by horses, a need may have existed for such a large number of crossings, and it may have been necessary for them to be close together. With the growth of modern forms of transport, however, the need for such a large number of crossings as we have in the metropolitan area and in other parts of the State has disappeared. As members are aware, these crossings represent a source of danger to traffic and to instal warning signals at every one of them would be a costly undertaking. We do not intend that expenditure shall not be undertaken with a view to preventing accidents and saving lives, but we do feel that the number of such crossings should be reduced, because many of them are obviously superfluous. If unnecessary crossings were eliminated, some attention could be directed towards providing for the increased safety of the public at the crossings that remained.

In 1935 a deputation from the Metropolitan Local Government Association waited on the then Minister for Railways, who is now the Premier. The deputation pointed out the dangers that existed at level crossings and asked that something should be done. I believe it indicated that it was agreeable to the closing of some crossings. The deputation was not, however, able to agree as to which crossings should be closed, and it was decided that departmental officers should be made available and that they, with represen-

tatives of the Local Government Association, should form themselves into a committee to examine the various local crossings. That was done and ultimately it was recommended that nine of the crossings in the metropolitan area, and some just outside the metropolitan area, should be closed. Nothing, however, was actually done because the local governing authorities themselves were not prepared to act on the recommendations of the committee. Perhaps they should not be blamed for that. They probably felt that they would have to accept the responsibility for agreeing to the closing of certain crossings, and it is not improbable that in connection with the abolition of any one such crossing, certain local objections would be made by people making use of that crossing. We felt that the only way in which this difficulty could be overcome would be by the appointment of a board, and an amendment of the sections in the Public Works Act that are referred to in the Bill.

The Bill provides for the formation of an independent and competent board, whose duties will be to consider applications made by the Commissioner of Railways for the closure of level crossings, and to give decisions after inquiries have been made. Whatever recommendations the board makes will, under the provisions of the Bill, be subject to the approval of the Governor. Perhaps after such a recommendation has been made and approved, and a level crossing has been closed, conditions might change, and it might be found desirable to re-establish the crossing. Provision is therefore made that the board, on the application of a local authority, may consider such an application and rescind the previous order it has made. Such a decision, if approved by the Governor, would have the effect of causing the level crossing to be reopened.

Mr. Sampson: Actually, the matter of closing a level crossing would be taken out of the hands of a local authority?

The MINISTER FOR RAILWAYS: Yes, and placed in the hands of the board.

Mr. Sampson: There would be absolute control by the board.

The MINISTER FOR RAILWAYS: The matter would not be entirely taken out of the hands of the local authority, as the hon. member will perceive when I mention the constitution of the board. All the costs incurred by the board in carrying out its

investigations will be charged against the Commissioner of Railways, and it is proposed that the board shall consist of the Commissioner of Railways, the chairman of the Transport Board, the Town Planning Commissioner, the Commissioner of Main Roads, who shall be the chairman, and the mayor of the municipal council or the chairman of the road board in whose district exists the level crossing that is under discussion. All the Bill does is to empower the board to make the necessary investigations and recommend the closure, after which the Government will approve of the recommendation if approval is desirable. I move—

That the Bill be now read a second time.

On motion by Mr. Doney, debate adjourned.

BILL—HEALTH ACT AMENDMENT.

Second Reading.

Debate resumed from the 13th September.

HON. C. G. LATHAM (York) [4.51]: I have perused the Bill, which merely provides for the registration of lodging houses where there are only four boarders or lodgers, whereas the Act provides for six. At the same time, I consider this is the function of municipalities and of road boards that have been appointed health authorities. I do not know that there is any real reason for the change, but we can accept the word of the Minister that he has been inundated with requests from local authorities for this reduction. The Minister said the measure would apply particularly to seaports, such as Geraldton and Bunbury where, during the summer months, a number of houses are really made lodging or boarding houses to accommodate visitors. Presumably no objection can be raised to such places being registered to ensure that they comply with the Health Act. I regret that we have not received the report of the Royal Commission appointed to inquire into civic administration because, after the report has been presented, a further amendment of the Act may be necessary. When complaints were made in the House before the appointment of the Royal Commission, I pointed out that the whole control rested with the local authorities, and more particularly with the muni-

icipalities which, under the Health Act, are virtually appointed health authorities. If there has been neglect in the matter of inspection or of enforcing the law, the Government cannot be blamed. True, the Minister for Health has an over-riding authority, but that is very seldom used, and there cannot be any object in appointing local authorities to administer the law if they fail to do what is required of them and then have complaints voiced in this House. If the passing of the Bill will afford greater comfort for boarders and lodgers—

The Minister for Health: It will ensure supervision. That is the main thing.

Hon. C. G. LATHAM: —or if it will enable them to live under healthier conditions, I will raise no objection.

MR. SAMPSON (Swan) [4.55]: I regret that reasons have not been advanced to justify acceptance of the Bill. I fail to see any special virtue in stipulating four lodgers. That number might impose a greater tax on accommodation provided by a habitation and lead to less efficient care being exercised on behalf of the occupants than would occur in a house with accommodation for six. Many people are compelled by circumstances to take in boarders as a means of augmenting their income or providing an income. The logical way to deal with the matter is to require that when anyone other than a member of the family is accepted for payment or reward, the habitation shall be registered as a boarding-house. The same argument applies to supervision, because, while six or even four boarders may be supervised with care, three boarders in a habitation have an equal right to similar consideration. Whatever argument may be applied to four boarders would apply equally to three boarders, two boarders or one boarder.

The Minister for Health: Most of the requests stipulated one boarder. I made it four, but I agree with your argument.

Mr. SAMPSON: I am pleased to hear the Minister takes that view. Boarding-houses call for better control. I have no desire to harass boardinghouse-keepers; I wish to protect them, but many people take in boarders and there is no supervision whatever. If the taking in of boarders is essential to provide income, why should not the law apply to habitations taking three or fewer boarders so that the same supervision may be exercised by the health authorities?

Some houses could accommodate a dozen or more boarders without any disability arising in respect of sanitary, lighting or other necessary arrangements. I realise that the matter of air space is dealt with in another part of the Act, but the Bill does not go far enough.

The Minister for Health: There is nothing to prevent supervision by the local authority if there is more than one.

Mr. SAMPSON: I hope the Minister will take steps in Committee to improve the provision. This is an important matter affecting not only large centres, including Geraldton and Bunbury which have been mentioned, but all centres where boarders are taken. An agreement to accept boarders without a permit under the Health Act might easily result in injustice being done, not only to those boarders, but also to other people who adopt these means to earn a living. I will support the second reading, but hope the Minister will carry the restrictions to their logical conclusion, and give the necessary protection to genuine boardinghouse-keepers.

MR. WITHERS (Bunbury) [5.1]: Beyond doubt, the Act should be amended in this particular, but I see no great virtue in providing for four persons instead of three. If the number were left at six, the health inspector of the district would not have power to supervise the place, although four or five people might be boarding in it. As one who has had experience of local government, I appreciate the difficulty that arises. I have no desire to harass lodging-housekeepers, or people who are taking in three or four boarders to assist in adding to their incomes. In Bunbury, provision has been made whereby a boarding-house must instal the septic system. When the number of boarders reaches a certain figure, and both males and females are boarding in the establishment, separate sanitary arrangements have to be installed, and the necessary supervision is arranged so that this instruction is carried out. Very often a person who is conducting a small boarding-house may be put to considerable expense in this direction. I do not know that we need reduce the number below four. If four persons are boarding in a house, the premises definitely become a boarding-house.

Mr. Warner: You would not suggest classifying as a boarding-house a place in which there was only one boarder?

Mr. WITHERS: No. If a person is taking in four boarders, the house will be a boarding-house. Some woman may be taking in only a couple of boarders, and letting rooms for week-ends. That would not be a boarding-house. In other instances the woman may be taking in one boarder who may be a relative. The boarder may wish to live with his relations rather than go to an ordinary boarding-house. It would be hard on the woman if she were subjected to supervision because of that fact, and it would not seem right to designate the premises a boarding-house. The number referred to in the Bill seems to meet the case. The measure would make for better supervision over boarding-houses. I support the second reading, because I think something should be done in this direction.

MR. MARSHALL (Murchison) [5.3]: I am not enamoured of the Bill, and can foresee the likelihood of a certain amount of hardship being imposed upon individuals. The measure will have the effect of causing persons who have four boarders to register their premises. This will put people to a great deal of inconvenience, and, if they fail to register, they will run the risk of being fined. With only four boarders to fend for, the keeper of the home has not a very big margin of profit to work on when we consider also the cost of registration, and other expenses. The Bill goes very close to being unfair and too restrictive. I am reminded of the provisions for the registration of orchards. The principle contained in the Bill is almost on all fours with the legislation governing orchards. If a person has a fruit-tree in a pot standing at the door, he is said to be keeping an orchard. He has to pay a registration fee of 1s. per annum, and must never fail to meet that liability. I dare say there are many women who have invalid husbands, and are keeping a few boarders to help them to make a living. They, too, will be subject to regulation and to all sorts of interference.

Mr. Stubbs: Many people are in that position now.

Mr. MARSHALL: Yes. Some women take in three or four boys as boarders, because their parents cannot reside in the city, and so have engaged the women to look after the youngsters. If a woman has four little boys in her house, she will have to register the premises.

Mr. Withers: Do not you think the parents of the children are entitled to have some supervision over the premises?

Mr. MARSHALL: It is the duty of the parents to see that their sons are well housed in a clean home. That is different from registration. What is there to choose between a woman who has four boarders staying in her home and an ordinary home in which a family of four persons is residing? Why not declare that everybody must register and see that every home is kept up to a certain standard of cleanliness? Is it more likely that a woman who is housing three or four lodgers will cause the spread of infectious diseases than would be the case with a private home in which five or more persons were living? Certain buildings in the city area are subdivided. This question was dealt with during the debate on the Fair Rents Bill. The premises are divided into separate sections, in which two, three or four different families may be living. In each separate apartment there may be four or five units in the family. These premises are not registered because individual families are living in them. There is more danger where a large number of people are gathered together in a small compass than there would be in an ordinary home in which three or four lodgers were living. I am afraid we are reaching the point where we are over-legislating, and going beyond what is a fair thing. Every care should, of course, be exercised in protecting the health of the community. Where is the difference between a lady who has four boarders, who will have to register, and another lady living adjacent to her and looking after a family of six or eight young people? The lady who caters for lodgers and boarders, to retain the patronage of those people, will be particularly careful to see that everything is well conducted and cleanly. The likelihood of danger to the community from an epidemic in such an instance is even more remote than it would be in the case of families where, owing to poverty or inability to maintain the premises as they should be kept, and yet with fewer persons to cater for. The conditions are not in keeping with those appertaining to the boarding-house. While we are all watchful in behalf of the health of the community, especially from the aspect of epidemics, the Bill goes beyond what we ought to consider a fair and reasonable thing.

MR. McDONALD (West Perth) [5.11]:

I have a good deal of sympathy with the remarks of the previous speaker.

Mr. Marshall: Then I will withdraw all I said!

Mr. McDONALD: This is the first time since I have been in Parliament that I have paid such a compliment to the hon. member. While appreciating the necessity for exercising supervision for the purposes of health, I do feel that we may possibly render more difficult the position of numerous persons who are now self-supporting by taking in perhaps occasionally up to four or five lodgers, especially, as mentioned by the Minister for Health, in ports. Such a person may have lodgers for perhaps only two or three months in the year, having none at all during the rest of the time. But the little money such people earn makes perhaps all the difference between remaining self-supporting and having to apply to the State for assistance to some extent. I appreciate what the Minister has said, that apparently there has been a demand by local authorities for the passage of the measure. One must give full weight to that remark. But possibly we may go too far in placing difficulties in the way of people whom we ought to encourage—people who are trying to maintain themselves. It may well happen that to comply with the terms of the Health Act in respect of a boarding or lodging house may mean just that extra expenditure on premises, in the way of alterations, which will make it impossible for the persons concerned to continue to carry on business. The landlord may not be prepared to meet that extra expenditure. If the person carrying on the business as owner is unable to get that extra money, he would either have to close the little business or else seek new premises, which he might not be able to get. While fully appreciating the principle of preserving the health of the community as relating to boarding and lodging houses, I do not wish the measure to create more hardship than good by interfering with people who are making a little out of such businesses, and to whom that little may be of the greatest importance.

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—BUREAU OF INDUSTRY AND ECONOMIC RESEARCH.

Second Reading.

Debate resumed from the 8th September.

MR. NORTH (Claremont) [5.15]: I realise that the Bill raises a number of new issues and a new policy. I am also aware that not long ago the National Party, through our leader, the member for West Perth (Mr. McDonald), issued a statement in which mention was made of the party's intention to take an economic survey of the resources of the State. There was also a general observation to the effect that our economy was moving, through the change in world trade, towards secondary industries. That pronouncement, of course, does not go so far as does the Bill. The measure sets out to establish a bureau which will give effect to those ideas in a particular form. I do not say that that is the only way in which the problem can be approached, but on principle I support the second reading of the Bill. It is important that we should hear the views of various members on a question which is quite new, and, I may add, to me highly important.

We are dealing with the recommendations of a Supreme Court judge. Mr. Wolff was appointed a Royal Commissioner to go into the subject, and he took evidence for a long time. My view regarding Royal Commissions is that if those who appoint them are not satisfied with the findings, they should not merely ignore the report, and so to speak tear it to pieces, but should refer it to some court of appeal. I hold the same view as to the findings of the Federal Royal Commission on Banking, which are now the subject of dispute between the Federal Government and the members of the Commission. It is far more important that those findings should be reviewed by, say, the High Court than that members of Parliament should criticise them and throw away the work of perhaps a year and a-half. A remark of the same kind applies here. If members regard the findings as unsatisfactory, then, knowing the calibre of the gentle-

man who made them, we surely should urge that they should be referred to some person or persons of greater calibre than the gentleman who has already reported. That, after all, is what is done in court practice, where we have highly qualified judges and magistrates whose decisions are often taken further and sometimes reversed. We have here the findings of a gentleman who is now a Supreme Court judge, and who conducted a long investigation into the subject; and I should like to quote what he said regarding the measure. On page vii. of his report I find the following:—

Involved as we are to-day in an economy which tends to become more complicated with the progress of time, one might be very well excused in following a policy of despair . . . The rapidity of advancement in the last 50 years has revolutionised our mode of living . . . I am satisfied that unemployment will always be with us. There is no general panacea. Even a casual consideration of some of the causes of unemployment will convince the most enthusiastic optimist that this is so; but I believe that the evil can be minimised to such an extent that it will no longer cause embarrassment and threaten to overthrow the social system.

Then, on page xiii.—

I recommend that the State co-operate with the Commonwealth and the other States of the Commonwealth in the formulation of a scheme for providing credit for new types of industries, the fostering of which is recommended by the Bureau of Economic Research, acting in conjunction with the credit banks established for this purpose.

The speech of the Minister for Employment in moving the second reading of the Bill was highly informative and, considering the importance of the measure, rather brief. I was also impressed by the remarks of the Leader of the Opposition. I agree with every word that the hon. member uttered regarding the danger involved in red tape control. No one would desire the State to be hamstrung—if, in fact, the working of the Public Service system does hamstring our efforts—by the application of red tape methods to the operations of the bureau. The question has been asked, "Why is there any necessity for such a bureau?" The suggestion has been advanced that there are already quite enough boards in various parts of Australia. Nevertheless, it has to be admitted that that is the trend of the times. Such a bureau has been established in Queensland and also in New Zealand.

Hon. C. G. Latham: There is a notable one in Australia in the Council for Scientific and Industrial Research.

Mr. NORTH: That is so. If the C.S.I.R. was extensive enough and free to operate in Western Australia, I would not deem it necessary to support the Bill. On the other hand, the C.S.I.R. has not only its duty to perform in the field of primary activities, but also concerns itself with problems of secondary industries in other parts of Australia. So far as I am aware, it has not done much in the interests of Western Australia's secondary industries. I believe the problems ahead of Australia are such as to warrant the establishment in each State of bureaux of the type under discussion. Necessarily, the task to be undertaken must not be bound by the restrictions of red tape. If we were to agree to the appointment of a highly-paid director and a well-paid secretary, they could furnish advice to the Minister and, when dealing with specific problems, could co-opt the required officers from the Public Service. I do not think the House would object to paying liberally a fully qualified man for the major position. What are the duties to be undertaken? It will be necessary for such a man to examine the situation thoroughly. Why do we ask for the establishment of a bureau? No one approves of a policy of laissez faire. We certainly approve of the development of private initiative and are content to allow it free play. We have recognised the possibilities of private enterprise operating in specific spheres, and have been content to rely upon that method to provide the best results in the past. But throughout the world to-day we find that private enterprise and the policy of laissez faire are being swept aside in one country after another and that the State is stepping in and directing the development of industry and progress in many directions. Western Australia is a sort of Ireland in the economic sphere because of our small population and isolation. The State is similarly situated to Ireland, economically speaking, because it is regarded as a dumping ground for the products of the Eastern States. Moreover, Western Australia, as a heavy exporter, is being used by the Commonwealth for the purpose of meeting national interest charges abroad. That being so, the State has not received much advantage from the changing econ-

omics of industry. We are in the position of being kept down—we are certainly not yet out—and forced to absorb a large volume of competitive goods from the Eastern States. Those imports are valued annually at between £10,000,000 and £11,000,000, and sometimes even at more than that. Our system of economics, in forcing us to export an enormous proportion of our produce to Europe, means that not only are we confronted with the difficulties associated with a small population, but the Federal Government, in a financial sense, treats the State as a poor relation. At this juncture of our history we are menaced by the danger of the prices obtainable for our products falling more and more, and we have received more than hints from European sources that our markets are extremely limited. It is idle to delude ourselves into the belief that we are not confronted with a serious situation. This makes it necessary to support the Bill, even though without much enthusiasm, regarding it as the first attempt to improve matters in our economic field. I am aware that the task of finding a highly qualified business man, able to prospect the opportunities available throughout the State, to examine our mineral resources and assess the opportunities for starting industries of various descriptions, will prove exceedingly difficult. That is why, when I spoke on the Estimates, I reminded members of the suggestion, advanced by the member for Nedlands (Hon. N. Keenan) on various occasions, for the establishment of a trust fund, from which industries established in Western Australia could be assisted at the stage when dumping from the Eastern States would tend to crush undertakings almost at the inception.

Hon. C. G. Latham: In the past our experience of that sort of thing has not been very happy.

Mr. Marshall: Nor will our future experiences be different.

Hon. C. G. Latham: The State has advanced huge sums of money for that purpose.

Mr. Marshall: And lost nearly all of it.

Mr. NORTH: That may be quite so, but we are now confronted with a different proposition, and surely we can support the contemplated move by the Government, even though without enthusiasm. Has there been any real attempt to secure the services of a

person of the necessary calibre to undertake such a task in Western Australia? Would it be fair to ask a public servant, whose whole life has been bound up in a round of duties all tending to limit his initiative and enterprise, to embark upon such a task? In an attempt to deal with the intricacies of the situation, the individual selected will have to undertake the role of a company promoter, the type of individual that, in past decades, has gone to a new country, summed up the situation and recognised opportunities for private enterprise, enabling him to establish new and lucrative industries.

Hon. C. G. Latham: Our former Under Secretary for Mines secured another job when he left the Public Service.

Mr. NORTH: Yes. I think it would be most unwise at this stage to act without caution. We shall certainly be well advised to get the right man—if he can be found. The truth is that everything will depend on finding the right man. If such an individual could be discovered and provided with a suitable secretary, the Government should receive advantageous advice. Two or three years would be spent in investigatory work and, when necessary, the services of public servants, whose special knowledge enabled them to assist, could be co-opted. There are such persons in the world, although I know they are hard to find. At this stage I think it is largely a matter of discussing personnel, rather than the bureau and its work. The whole success of the scheme will depend upon the type of men appointed to that body. On one occasion I had the pleasure of meeting the late Sir John Monash. At the time I was attempting to interest members in the Collic power scheme, and I went to Victoria for the purpose of interviewing Sir John. He would have been just the man to meet our requirements in Western Australia. In undertaking such a task, the person or persons so appointed will not be mere menial attendants. They will be highly qualified persons of outstanding calibre. Of course, I do not suggest that we can readily secure the services of men like Sir John Monash.

The Premier: He was a super man.

Mr. NORTH: Quite so. If we could have had the advantage of his services in Western Australia for a year, or even six months, I am quite sure that the Collic power scheme would have been inaugurated long ago.

Hon. C. G. Latham: But what is the financial position of the Victorian brown coal undertaking? A tremendous sum of money has been lost in that State.

Mr. NORTH: That may be so, but, on the other hand, we must consider the immense advantages that have accrued to Victorian industries. Of course, if a subject of this description is to be discussed in a light and airy fashion, it merely serves to emphasise the necessity for someone devoting his full time to the problems involved. I have not attended meetings of the Council of Industries in Western Australia but have noted the work undertaken by the Employment Bureau and other such bodies. From what I saw, I was forced to the conclusion that we would not find the man we required in such spheres, for the right type is not engaged in work of that description. In fact, I doubt if there is in Australia at the present time the man that we would appoint to such a position. If the Minister has someone in mind for the task, that is all to the good; but I am convinced that we shall have to pay dearly to secure the services of the right type of man.

Many avenues of investigation will have to be explored. These will include our opportunities for development, the variety of our mineral resources, our statistics generally, and so on. For instance, very few people, I am sure, are aware that in Western Australia we have over 100,000 square miles of country within the 20-inch rainfall margin as against South Australia's possession of only 12,000 square miles within a similar rainfall limit. That in itself is a great opportunity for initiative in the direction of increasing our population because the trade will then come here. Rainfall will be the deciding factor in respect to our population. Even to-day in the metropolitan area it is planned to obtain our supplies for the future from the Murray River, supplies that will be required to maintain the population in the years to come. Thus even the question of rainfall might well come within the scope of the bureau's investigations. The member for Yilgarn-Coolgardie (Mr. Lambert) the other night drew attention to the opportunities for the development of our various metals. He referred to the prospects for developing the State by means of new industries, those industries that would supply us with the requirements

that at the present time we are forced to obtain from the Eastern States. The Eastern States we know are waiting to pounce upon us to crush anything that we might feel disposed to start. Thus I admit anything that we might initiate will be a difficult proposition. But I ask those who oppose the Bill to suggest an alternative. What would they put up or say that we should do instead of creating our own industries? What we have to do is to buy the best brains that are available. It is absurd to think that we should remain content with existing co-operative boards or appoint a few civil servants to the important posts and give those posts new names. That kind of thing will not help us. We want to look around the world for someone with high qualifications, someone like the late Sir John Monash. We did at one time bring a highly qualified gentleman to this State—I refer to Mr. Stileman. Unfortunately, however, the time that was chosen to bring him here was inopportune and he was sacked on the score of economy. Thus the work that he came here to do was not carried out because funds were not available. We had the sad fact of a highly qualified man having been brought here and almost as soon as he arrived having to face the beginning of a depression period.

Mr. Hegney: Who sacked him?

Mr. NORTH: He was sacked by the New York Stock Exchange because it was from that body the depression arose. The fact remains that Mr. Stileman left Western Australia, and the big undertakings that were to be carried out remained in his brain.

Mr. Doney: His ideas were unreasonably expensive.

Mr. NORTH: That remark is pertinent to the discussion and it shows two points of view.

Hon. C. G. Latham: Tell me one thing that he did during the four years that he was here, something that was outstanding.

Mr. NORTH: The reorganisation of the railways and the saving effected in haulage. However, I am not able to speak with the same authority as the ex-Minister, because he was more closely in touch with what Mr. Stileman did. At the same time, we are aware that most of his work remained on paper. As I was saying, there are two distinct points of view, and Mr. Wolff touched on them in his report. He declared

that much of the evidence that he was able to obtain proved that Western Australia must be developed not only as a primary State, but also as a secondary State, though at this juncture he was not able to see any signs of development in that direction. He was aware that we have more iron than any other State in Australia.

Hon. C. G. Latham: Not only iron, but many other minerals.

Mr. NORTH: Yes, including asbestos and aluminium deposits.

Mr. Watts: And alunite.

Mr. NORTH: The member for Yilgarn-Coolgardie dealt with the minerals of the State the other evening, but to revert to the two views about our development—one is whether we are to remain a simple and frugal farming community and the other is whether we should analyse our State and on finding that wheat and wool had been so well developed, we should turn to other industries. We no longer listen to those academic professors who say that on no account should we go beyond the land. We know, of course, that that part of our economy is sound, but the day has come to move towards the secondary sphere. That brings me to the other school of thought which is that the ideas of men like Mr. Stileman were well within the reach of Western Australia, viewed as a manufacturing country with a population of three or four million people to use up its own commodities instead of those imported from elsewhere.

Mr. Doney: That amounts to saying that Mr. Stileman came here 50 years before his time.

Mr. NORTH: The world is moving so rapidly that we are able to take that long distance view in respect of development. We can look for substantial support for this Bill in the fear of the Eastern States allowing us to continue to remain an empty country, the fear that an invasion of Western Australia would mean an invasion of the remainder of Australia. There is no doubt that if Western Australia were taken the remainder of Australia would also be taken. There would seem to be no chance of our bringing about development unless we can use the Japanese or some other bogey to instil into our friends of the Eastern States the danger that lies in Western Australia continuing to remain empty and defenceless. I am convinced, in view of recent

events, that the remainder of Australia will never feel that it is safe until development has taken place in Western Australia. Therefore, our only safeguard against what the member for Yilgarn-Coolgardie the other night suggested might be done, namely, the running of a stiletto through the vitals of Western Australia and the preservation of this continent, is population and the establishment of industries. May I reiterate before I conclude that I am not in favour of a cumbersome board to control the proposed bureau, and also I cannot see that any objection should be raised to the State that expends £11,000,000 annually finding a few thousand for a highly qualified man with a secretary to advise the Minister as to the best methods of getting the industries moving as quickly as possible. This qualified person might also be able to advise the Minister how to instil into the Eastern States the fear of invasion of this part of Australia. That, too, might assist to bring about a more rapid development of industries here. So far the Federal Government has failed to decentralise industries. Even if the Bill is passed, the Minister would be well advised, before making an appointment, to ascertain whether he can obtain the services of the C.S.I.R. to do this particular work. I defy any member to oppose the measure if he believes that the C.S.I.R. is doing good work. I strongly support the measure, in the hope that one well-paid director, a very highly qualified man, and a secretary to assist the Minister will be appointed.

[The Deputy Speaker took the Chair.]

HON. W. D. JOHNSON (Guildford-Midland) [5.42]: I desire to offer a few observations on the Bill. I approach the Bill more in its relation to Parliamentary representative government than to its political significance. I feel that the Bill undeservedly discounts Parliamentary authority, responsibility and capacity. To my mind, the Bill is a declaration against the capacity of democratic and responsible government. It proposes to transfer administrative and developmental responsibility from representatives elected by the people to a bureau of selected men appointed by the Governor or by the Minister.

Mr. Hughes: That is the outcome of stifling free debate in the House.

Hon. W. D. JOHNSON: I have always stood for an extension of Parliamentary control. I believe in control by the people, and that it is a sound principle progressively to extend that control as the education of the people permits. The Bill proposes to establish a bureau for the encouragement of employment and the development of industry. Every member of Parliament who has any regard for his obligations to the State has given very serious thought to those outstanding questions.

Point of Order.

Mr. North: Mr. Deputy Speaker, on a point of order. Are we entitled, while the Speaker addresses the House, to interject, if we so desire?

The Deputy Speaker: Interjections are at all times disorderly.

Mr. North: I know, but are they just as disorderly when the Speaker is addressing the House as when other members are speaking?

Members interjected.

The Deputy Speaker: Order!

Mr. Needham: Mr. Deputy Speaker, is the member for Guildford-Midland in order in addressing this Chamber in the garb he is now wearing?

The Deputy Speaker: Yes.

Mr. Doney: Why should not he be in order?

The Deputy Speaker: While the Standing Orders lay down that a member may not address the House with his head covered, that does not apply to the wearing of a wig. The member for Perth can wear a wig, if he so desires.

Mr. Hughes: May I ask you to direct me to the Standing Order that permits a private member to don the Speaker's wig and gown when addressing the House? I thought that garb was reserved to the Speaker as a mark of respect.

The Deputy Speaker: I rule that the member for Guildford-Midland is addressing the House with his head uncovered. A wig does not constitute a covering.

Debate resumed.

Hon. W. D. JOHNSON: Every member of Parliament who takes his work and responsibilities seriously is constantly devoting special thought and attention to the problem of unemployment, and the great need to develop and expand industry. Every

member, when speaking on important occasions, contributes his thought and gives his attention to the outstanding problems of government. The Bill proposes to appoint a director and nine members of specified ability to form the bureau, which is to have the right to co-opt additional members, one of whom must have taken a course of study in the science of economics and hold a diploma in respect thereof.

Hon. C. G. Latham: The board shall consist of no fewer than nine members.

Hon. W. D. JOHNSON: Yes. They are to be appointed for a term of three years. In other words, the bureau will continue for the same period as does Parliament. I can assure the member for Claremont (Mr. North) that I have no objection to—in fact, I would support—the appointment of the most capable man that could be obtained as director. But I stop there.

Mr. North: No board?

Hon. W. D. JOHNSON: I would not have a board. A director who could advise upon and assist in the problems to which I have referred would be a definite asset not only to Parliament but also to the State. The practice of obtaining highly-qualified assistance is not new, nor is there need for Parliament to pass legislation to delegate that authority. The executive always has authority to call in the best advice at any price. I would suggest, however, that when the executive does call in special assistance, it should report the fact to Parliament and justify the obtaining of such assistance, if it is available. No necessity exists for Parliament to pass an Act to enable that to be done. A director could be obtained to-day, if one were available. The Commonwealth Government recently co-opted Sir Herbert Gepp, who was given much scope to investigate certain matters and report to Ministers directly concerned, or to the Federal Government.

Mr. Raphael: But Sir Herbert Gepp got only one side of the question.

Hon. W. D. JOHNSON: No question was raised as to passing special legislation on that occasion. The need for Sir Herbert's services was so apparent that no one questioned the matter. That course could be followed by the State. It has been said that legislation of this kind exists in New Zealand and Queensland. I submit that we cannot consider New Zealand as an example for the State to follow. New Zealand is a

Dominion, and the Government of New Zealand controls the whole of the activities of the Dominion. In its power, authority and scope, the Government of New Zealand is comparable with the Federal Government of Australia. This State is not in a position to follow the example of New Zealand in controlling banking, and marketing, and undertaking those other activities that constitute outstanding achievements of which the Dominion of New Zealand might well be proud. Such work as that Government has undertaken can be accomplished in Australia only by the Federal authorities. The New Zealand Government can do work of that description because it supervises the whole Dominion. Nor can this State be compared with Queensland, because Western Australia has two Houses of Parliament, whereas Queensland has only one. Consequently, in that State, which has only one Legislative Chamber, more supervision and more connection with the activities of the State is possible than in Western Australia.

Hon. C. G. Latham: Perhaps the Legislative Council in this State will be abolished after this Bill becomes law.

Hon. W. D. JOHNSON: The point I desire to make is that we cannot assert that the conditions prevailing in Queensland and New Zealand are applicable to Western Australia. The position is this: the world is expanding, and it is true, as pointed out by the member for Claremont (Mr. North), and I think also by the Minister, that the economic conditions are changing so rapidly and are becoming so complicated that old methods are not sufficient to enable us to cope with the special difficulties that have arisen. Consequently we have to appreciate just what those difficulties are and do something, as the member for Claremont proposes, to overcome them. I suggest that much could be achieved by the appointment of an expert director who would assist the Government, the Ministers, and above everything else, would assist Parliament. The aim of the Bill is that the bureau should assist the Minister and the Government, but it may exclude Parliament altogether, and a danger therefore exists that members of Parliament might become superfluous. If Parliamentarians appoint a bureau of nine men to investigate and report upon and try to overcome the great problems of unemployment and of development of industry,

people are likely to ask whether there will be anything left for members of Parliament to do.

Mr. North: Is not the Main Roads Board somewhat comparable to the proposed bureau?

Hon. W. D. JOHNSON: Exactly; but the Main Roads Board is a board with which the hon. member and I regularly come into contact. Main roads are constructed under the direction of the Commissioner, who is controlled by the Minister, but it is possible for all of us to discuss with the Commissioner the problems associated with modern transport and the need for improvements in transport facilities. An excellent work is being accomplished by that board, and much favourable comment on its activities was expressed by members during the Address-in-reply debate. But the services of members of Parliament are not used to-day to the extent I should like to have them used. For members of Parliament to approach Ministers is not easy. Ministers are occupied in attending to details of administration to such an extent that I always feel that I am unduly monopolising their time when I call on them, and I am anxious to rid them of my presence as soon as possible in order that they may continue the work on which they are engaged. I do not know whether I am the only member who feels like that. I should like to see some improvement in that connection. I believe it is possible for us to employ Parliament to do this work. I would emphasise that we should have a director to whom we could all go and discuss problems and from whom we could obtain expert guidance along particular lines of thought so that we might subsequently through Parliament display a more progressive spirit and obtain better results than are being obtained to-day. It would be very nice if we could have a man of that type to whom we could go—just as we are able to go to the Commissioner of Main Roads—with something worth talking about, not a political question, but one that concerns the development of industry or the solution of the unemployment problem. Such a man might consider the proposals put to him and if they contained anything of value, would have an opportunity of conveying them to the Minister, and in that way to the Government.

Hon. C. G. Latham: The Commissioner of Main Roads cannot spend more than £1,000 without the consent of the Minister.

Hon. W. D. JOHNSON: I have no objection to that at all. The Commissioner's control of that department is very creditable, and we are proud of the results that have been achieved. But what I submit to members is that already many of our duties have been taken over by the Federal authorities. We have nothing like the authority that we had years ago in matters of loan raising and loan expenditure. One could go into detail to show that Federal encroachment is increasing, and as Federal encroachment expands, so proportionately do the work and the responsibilities of the States decrease. I claim, therefore, that instead of this being a period when we should appoint a bureau to assist us, we ought to recognise the changed conditions brought about by Federal encroachment and make up our minds that that which is left to us shall receive more concentrated attention from us and that we will try so to organise Parliament as to give it an opportunity to direct the affairs of State. I claim that we should not bring in legislation for the purpose of reducing the opportunity of members, really to say that members shall not do more but shall do less, and that what is taken over by the bureau will not be a responsibility for which members will be called upon to account. Those matters will have been handed over by us with our eyes open, and we shall have to admit the fact. I have no objection to the appointment of a director, but I have a very decided objection to the bureau.

We must bear in mind that the Loan Council has taken over a very big responsibility that previously was a responsibility of State. Again we must bear in mind that the Premiers of the individual States have more authority to-day than ever they had. This is a most extraordinary development, and for the life of me I cannot see why members of the State Parliament do not appreciate to a greater extent how little they know of the actual government of the State. For instance, the Premier will be leaving for the Eastern States within a few days. He will be doing what has been done for a considerable time. We have no idea of the details that he will discuss. We know there is to be a meeting of the Loan Council, but all we know of his visit to the Eastern States is what we gather from the news-

papers. There is no consultation with Parliament; there is no opportunity to discuss views, express opinions or try to fortify him with the collective knowledge of members from all parts of the State to enable him the more thoroughly to understand the needs and ramifications of the State. The Premier will consult with other Premiers, in addition to attending the Loan Council meetings. The Loan Council has absolute control, authority to do things, authority to make decisions; and those decisions must be obeyed by the State Parliaments. The Premiers meet in conference and reach understandings. This system has developed until an undertaking given at the Premiers' Conference is now regarded as being a gentlemen's agreement that something will be done along the lines suggested by the Premiers. We have to realise that to-day we are not consulted; we are not given the opportunity we should have to participate in government. Instead of having another body brought into existence, I should like to see Parliament reorganised—implemented would probably be a better word—so that under the new conditions we could function and justify our existence.

Here is an extraordinary position. We had a roads agreement that operated for about 10 years, and anyone who studied it would have realised that the scheme had weaknesses. The Minister, without consulting Parliament—he is not called upon to consult us—went to the Eastern States, met the representatives of other Governments and of the Commonwealth authority, and arranged another agreement to extend over 10 years. I moved a motion on the subject; I knew my motion was belated, but my object was to bring right home to members the fact that an important agreement covering a term of 10 years had been entered into and finalised—it was finalised at the time we were discussing it—without Parliament ever being consulted beyond being asked to concur in the agreement.

If this Bill becomes an Act, the Minister will attend the meetings of the bureau, and I can visualise him sitting at the end of the table with the director on his right and the secretary on his left and nine or possibly 11 members seated around the table. I submit that the Minister will be obliged to discuss with those gentlemen the problems of government, the limitation of government, and the financial difficulties of government,

He will have to discuss around that table the details of government. I ask in all seriousness why should not we get around the table and be consulted regarding the problems of government? What are we here for other than to assist in the good government of the State? If we agree to the Bill, our action will be tantamount to a definite admission that Parliament can no longer grapple with the problems of governing the State, and that experts have had to be called in. I cannot emphasise too strongly that if we need the assistance of, say, experts from the University, they are available to us to-day, and there is no reason in the world why they should not be consulted. It would be a simple matter for the Minister, if he so desired, to draw from amongst members of Parliament a committee representative of those most experienced in the particular subjects under discussion. Those members could then meet around the table with experts from the University or from anywhere else, and obtain a better understanding of the best means of approaching various problems with a full knowledge of the limitations of this State and of the Government. Members will recollect that Mr. Kenneally was at one time Minister for Employment. That gentleman, without an Act of Parliament, created the Economic Council. He made use of that body to a great extent, and I believe that fairly good results were obtained. Mr. Kenneally had no Act of Parliament to authorise or instruct him to establish that council. You and I had not delegated our authority by an Act. It was still possible for us, if we so desired, to get into touch with Mr. Kenneally and the members of the Economic Council, and discuss appropriate matters with them. I mention this to emphasise the fact that we have utilised expert knowledge that was available to us. Take the very subject under discussion: Mr. Justice Wolff was appointed to investigate this self-same question, and the Bill is the outcome of his inquiries. It will thus be seen that we can and do use our experts, the men of capacity, the men possessing knowledge of special subjects, to acquaint ourselves with what can be done better than has been done. Take unemployment itself. In addition to the creation of the Economic Council and the appointment of the Royal Commission, did we not create a Department of Employment with a Minister in charge of it as Minister for Employment? Parliament to that ex-

tent realised the special circumstances and gave special consideration to them. I am not going to take up any more time, but would like to point out—

Point of Order.

Mr. Hughes: I rise to a point of order. I draw the attention of the House to page 333 of "May," which prohibits a Speaker from addressing the House except when the House has gone into Committee.

Although the Speaker is restrained by usage while he is in the Chair in the exercise of his independent judgment, he is entitled in a committee of the whole House to speak and vote like any other member.

We are bound by "May." I submit, therefore, that the member for Guildford-Midland in his capacity of Speaker, has forfeited his right to address the House. The Standing Orders provide that where they are silent "May" shall predominate.

The Deputy Speaker: To what edition of "May" is the hon. member referring?

Mr. Hughes: To the twelfth edition.

Sitting suspended from 6.15 to 7.30 p.m.

The Deputy Speaker: On the point raised by the member for East Perth our Standing Orders, so far as I see, are silent.

The Minister for Lands: I should like to have a word on the question before you. Sir, give a decision. I understand that the point raised by the member for East Perth is that the Speaker is not competent to speak on the second reading of a Bill. The hon. member bases his argument on the following passage in "May":—

Although the Speaker is restrained by usage while he is in the Chair in the exercise of his independent judgment, he is entitled in a Committee of the whole House to speak and vote like any other member.

Now, the Speaker is restrained by what? By usage, which is mere custom. The Speaker in England has been referred to. By usage he is not opposed at elections. Not that he could not be opposed.

Hon. C. G. Latham: He was opposed last year, but not by a political party.

The Minister for Lands: The custom is breaking down. He was not opposed for centuries. Precedents, usage, were against it. That is custom. But there is nothing to prevent anyone from opposing the Speaker at elections. It is merely a matter of cus-

tom and usage. Speakers of the House of Commons have refrained from doing many things. That is by custom; there is no law to say they must not do those things. Further, the statement in "May" is—

Although the Speaker is restrained by usage while he is in the Chair . . .

He is restrained only by usage while he is in the Chair. By usage he does not take part in deliberations from the Chair. But that does not restrain the Speaker from speaking on the second reading of a Bill. It has been done in Australia by no less a person than the President of the Senate. He did it a few months ago. Senator Lynch, unrobed and speaking beside the Chair, addressed the House on the second reading of the National Insurance Bill.

Hon. C. G. Latham: The Federal Standing Orders may provide for that.

The Minister for Lands: The point was never raised. I do not think the Federal Standing Orders provide for it. I will get that information, too. I think I have done it myself in this House. I must look the matter up.

Mr. Marshall: Is the hon. member in order in discussing a point of order before you have given your ruling on it, Mr. Deputy Speaker?

The Deputy Speaker: I do not think he is.

The Premier: He is. He can argue against the point of order.

The Minister for Lands: I take the fact that you have said you do not think he is in order, as a ruling that he is not, Sir.

The Deputy Speaker: I consider that when a point of order is raised the Speaker should give his ruling before any argument is adduced.

Mr. Marshall: That has not been the usage and practice here, because constantly, when a ruling is asked for, the member who asks for it, or requests it, puts forward his case.

The Deputy Speaker: I point out to the member for Murchison that the member raising the point of order has to put forward his case, but that the matter is not open for general discussion by all members before the Speaker has given a ruling.

The Minister for Lands: That is all I have to say. Thank you.

The Deputy Speaker: I can find nothing in the Standing Orders relative to the Speaker speaking in the Chair. "May," of

which we have heard so much during the last few days, says—

Although the Speaker is restrained by usage while he is in the Chair in the exercise of his independent judgment, he is entitled in a Committee of the whole House to speak and vote like any other member.

Restraint by usage, I take it, becomes a custom, and the custom becomes a law. Therefore, if it becomes law by usage and custom, of course it stands, and I must uphold the member for East Perth and rule that the Speaker is not in order in addressing the House on a second reading.

Mr. Marshall: Then I want your ruling, Mr. Deputy Speaker, on Standing Order 144, which reads—

A motion may be made that any member who has risen "be now heard," or "do now speak," or "be not now heard."

Cannot the Speaker, by resolution of this Chamber, continue to address the Chamber?

Mr. Sampson: Are you open to receive a motion, Sir?

The Deputy Speaker: No.

Mr. Marshall: I have asked for a ruling, and the member for Swan cannot address the Chair meantime.

The Deputy Speaker: Order! I rule that under Standing Order 144 a motion can be moved that would enable the Speaker to be heard.

As to Hearing Speaker.

Mr. Marshall: I move—

That the member for Guildford-Midland (Hon. W. D. Johnson) be now heard.

Mr. Sampson: I second the motion.

The Minister for Lands: Do you accept that motion?

The Deputy Speaker: Yes.

Mr. Hughes: This is a highly dangerous motion. The rule is established that what one cannot do by direct means one cannot do by indirect means. You yourself, Sir, have ruled that the Speaker is definitely debarred by custom and usage, which you have, rightly as I believe, termed a practice binding on the House, from addressing the House. The motion in question is that any member who has risen may speak. The Speaker cannot rise, because he is not seated before the Chair. The only member who can rise is one who rises in his place. If I were inadvertently to slip into the seat adjoining mine and rise in a place other than my own seat, you would probably refuse to allow me to

speak, because a member can only rise in his appointed place to address the House. The Speaker has an appointed place in the House in the exalted Chair from which he presides over the House. Therefore the Speaker can rise only in his own Chair. The motion endeavours to break down what is a very good custom. On the merits of the case it is most desirable that Mr. Speaker should be regarded as above controversies that proceed on the floor of the House, otherwise members might be placed in an invidious position. Mr. Speaker may have addressed himself to the Bill, and then, should a member offer criticism of his arguments, that member might find himself ruled out of order by the Speaker. Such circumstances would tend to create grave doubts as to whether Mr. Speaker might not be subconsciously biased. The wiser course has been adopted by which Speakers have kept themselves aloof from debates on the floor of the House. When he is not in charge of the House and members have resolved themselves into a Committee of the whole House, he is permitted to take his place as an ordinary member and participate in the discussion. The more we consider that procedure, the more it appeals to our common sense that Mr. Speaker should not address the House while he occupies his high office. I have no desire whatever to frustrate the wish of any member to address the House, for I think in this Chamber we are too prone to stifle free discussion. The Standing Order quoted by the member for Murchison refers to an ordinary member of the House, quite distinct from Mr. Speaker. Throughout our Standing Orders, the Speaker is referred to as the Speaker; and so long as he occupies his office, Mr. Speaker is regarded as superior to ordinary members. He occupies no seat on the floor of the House and cannot catch the Speaker's eye, because he has no seat on the floor of the House from which he can rise. Thus the Standing Order under discussion is intended to permit an ordinary member to speak in the circumstances outlined therein. We should view this question quite apart from personal considerations. We should forget that the member for Guildford-Midland (Hon. W. D. Johnson) happens to be the Speaker for the time being, and approach the matter purely from the standpoint as to the advisability of Mr. Speaker

addressing the House as Mr. Speaker and participating in a controversial debate on the floor of the House. If you, Mr. Deputy Speaker, allow the motion to be carried, you will stultify your earlier decision when you ruled that, in accordance with the Standing Order and parliamentary practice, the Speaker is not permitted to address the House, and you will do that by permitting the adoption of a round-about method to defeat a salutary ruling, a position that can only have evil repercussions. I would prefer the matter to be dealt with by a direct motion than by using the round-about method of resorting to another Standing Order. The House would be well advised to oppose the motion.

The Minister for Lands: Do I understand, Mr. Deputy Speaker, that you permitted the member for Murchison to move his motion?

The Deputy Speaker: Yes.

The Minister for Lands: Then you have refused Mr. Speaker the privilege of speaking because of usage and custom. That is a total prohibition. You have ruled that he cannot speak. Why? Simply because he is not entitled to speak. That is the effect of your ruling.

Hon. C. G. Latham: That is so.

The Minister for Lands: Now Mr. Speaker, who is not entitled to speak, is, if the motion be agreed to, to be allowed to speak. We are being led into very deep water. I am surprised, Mr. Deputy Speaker, that you permitted the motion to be moved. That is all I shall say on the matter.

Hon. C. G. Latham: I hope, Mr. Deputy Speaker, you will not reverse the decision you gave earlier, because you definitely laid down that the Speaker could not be heard on the floor of the House.

The Premier: Which decision do you refer to?

Hon. C. G. Latham: The first decision. As the Deputy Speaker ruled to that effect, the House accepted the decision. Surely we cannot be expected to pass a motion that a person not entitled to be heard shall be heard, because of Standing Order 114. I would have liked Mr. Speaker to conclude his speech.

Mr. Marshall: I think he did.

Hon. C. G. Latham: I think so, too. In view of your earlier decision, Mr. Deputy Speaker, I hope the House will not now

depart from precedent. If we accept the motion now before the Chair, it will have the effect of breaking down a very good precedent, and we shall plunge ourselves into a tangle from which it will be difficult to emerge. I shall have to vote against the motion.

The Deputy Speaker: I have ruled that under Standing Order 114 a member is permitted to speak by resolution of this House. Does the Leader of the Opposition desire to move that my ruling be disagreed with?

Dissent from Deputy Speaker's Ruling.

Hon. C. G. Latham: In the circumstances, I am reluctantly compelled to do so. I move—

That the House dissent from the Deputy Speaker's ruling.

Hon. N. Keenan: It is not necessary to do so.

The Minister for Lands: I regret that I must support the dissent from your ruling, Mr. Deputy Speaker, although I do not like doing so.

Hon. C. G. Latham: Neither do I.

The Minister for Lands: Standing Order 114 reads—

A motion may be made that any member who has risen "be now heard" . . .

Where can a member be heard from in this House? From his seat, from which he can rise. Obviously that is not practicable to Mr. Speaker, seeing that he has no seat on the floor of the House. The ruling has been given that Mr. Speaker cannot speak from the dais, and the Standing Order I have quoted does not refer to Mr. Speaker at all. You have ruled, Mr. Deputy Speaker, that custom and usage prevent Mr. Speaker from so doing.

Mr. Hughes: He is a speechless Speaker.

The Minister for Lands: Now we are asked to allow Mr. Speaker to speak, though it is against all custom, on the strength of a Standing Order that refers specifically to members on the floor of the House and has nothing whatever to do with Mr. Speaker. I regret I must vote against the ruling you have given. I think the rulings all along have been wrong, but the latest ruling makes the position still worse.

Mr. Marshall: I think we are slightly out of order. I asked for a ruling, and it was given. In consequence of a ruling, I moved my motion. As my motion is now before the Chair, I hold that you, Mr. Deputy

Speaker, cannot accept the latest motion by the Leader of the Opposition.

The Premier: Of course he can! The Deputy Speaker has ruled, and the Leader of the Opposition has moved to disagree with that ruling.

Mr. Marshall: I asked for a ruling, and no exception was taken to the ruling when it was given. Then I moved my motion.

The Premier: Yes, and the Deputy Speaker accepted it.

Mr. Marshall: No one took exception to it.

Mr. Hughes: It is not necessary to take a point of order immediately.

Mr. Marshall: I submit that the Deputy Speaker cannot take two motions at the one time.

Mr. Hughes: But the point of order need not be raised immediately.

Mr. Marshall: Not exactly. The point I wish to stress is that the Deputy Speaker gave his ruling and no member disagreed with it. I then moved a motion which is still before the House. I therefore respectfully suggest no other member can move another motion.

The Premier: A point of order was taken as to whether your motion was in order.

Mr. Marshall: That is better.

The Premier: That has been done.

Mr. Marshall: No. The Leader of the Opposition moved to disagree with the Deputy Speaker's ruling.

The Deputy Speaker: I think the hon. member said the Leader of the Opposition moved to disagree with my ruling.

Mr. Marshall: The Leader of the Opposition moved a motion. He said he was reluctantly compelled to move it.

Mr. Hughes: Read Standing Order 141.

Mr. Marshall: I shall not argue the matter further.

The Deputy Speaker: After I gave my ruling, the member for Murchison rose in his place and moved that the member for Guildford-Midland be now heard. That motion was seconded. The Leader of the Opposition asked me if I would accept the motion, and said that if I did, he would be reluctantly compelled to move that my ruling be disagreed with.

Mr. Hughes: I do not think that is right. Standing Order 141 states—

If any objection is taken to the ruling or decision of the Speaker such objection must be taken at once.

I am open to correction on this.

Member: You are wrong.

Mr. Hughes: When you, Sir, gave your ruling, did not the member for Murchison move a motion, and did I not speak to it before any point of order was taken?

Mr. Marshall: Yes.

Mr. Hughes: If that is so, how can it be said that a point of order was taken? It was not taken until after a member had addressed himself to the question. In my opinion, the contention of the member for Murchison is correct. Under Standing Order 141, the Leader of the Opposition and the Minister for Lands are out of time. The only thing members can do now is to vote the motion out, and if the question ever arises again and your ruling is followed, to disagree with it immediately, so as to have it on record. I submit that under Standing Order 141 you cannot take the point of order now.

Question (dissent) put and passed.

[The Speaker took the Chair.]

Debate resumed.

MR. MARSHALL (Murchison) [7.53]: I readily confess that the Bill upon which you, Sir, spoke is one upon which I am as yet unable to form an opinion. Much that has been said about the importance of the measure is convincing. On the other hand, much has been said that leads one to believe that Parliament, to a great extent, will sacrifice its authority by transferring it to the proposed bureau. I shall address myself to one or two points and then hear what other speakers have to say on the Bill and arrive at a decision. If I understand correctly the objects of the Bill, as enunciated by the Minister, they are to create a bureau for the purpose of making scientific investigations into industry and carrying out economic research. The first question I ask myself is, what will be the result of such investigations? When introducing the Bill, the Minister pointed out the possibilities of establishing secondary industries in Western Australia. He quoted figures that, without doubt, are convincing, to show what would be the result of the successful establishment of certain primary and secondary industries. If we have a bureau such as is contemplated by the Bill, all the figures which the bureau could collate and all the evidence which it could submit would not carry us further. There is ample opportunity for the estab-

lishment of industries in this State, because a ready market is available. That is indicated by the figures quoted by the Minister. He quoted figures showing the extent of the imports into Western Australia from the Eastern States. We import large quantities of consumable commodities. I respectfully suggest, however, that many astute business men in Western Australia are aware of the advantages that might flow from the establishment of industries here. While a ready market exists in Western Australia for certain goods, the remarkable thing is that no effort has been made by those business men to establish such industries, notwithstanding that money is available for the purpose. So there must be some real cause or justification for their hesitancy. What is it that retards their activities? I suggest to members the reason is not far to seek. Efforts have been made to establish certain industries in Western Australia in recent years. Those efforts have failed either partially or wholly because Western Australia is in the main supplied with goods by monopolies in the other States. It does not pay those particular monopolies to establish branches of their industries in Western Australia, because it is more economical to produce the commodities and manufacture the goods in the Eastern States. In the course of years, as the population of Western Australia increases and the demand for commodities becomes greater, no doubt branches of those industries will be established here. What the bureau could effectively do on behalf of the State to assist in the establishment of such industries here is most difficult to understand. That the bureau could submit to us all the possibilities is true, but when it came to the actual establishment of the industry, trouble would arise. I remind members that those particular companies have gradually, but surely—I am speaking of the industries in the Eastern States—developed into a monopoly. So influential and powerful are they, that they can practically control the issue of credit to a competitor. As a result of their influence and the interlocking methods of industry and finance, it is almost impossible for a private individual to establish himself in competition with those monopolies. In the first place the banks would not advance the necessary credit. They would not provide a sufficiently large sum to make another company a dangerous competitor of

those monopolies. We have had an experience of that quite recently, and I shall speak of it later. As the result of the development of most efficient methods of production, competition has ceased to exist. Instead of rivalry and competition in trade and commerce to-day, mutual understanding and arrangements exist and it is thus only natural to assume that where the big monopolies do a large amount of business with banking institutions, the banking institutions, in return for that business, will make sure that the principle of monopoly is strictly adhered to.

I wonder whether hon. members have read the utterances of Mr. Butler, the Premier of South Australia? That reminds me of the statement made by the member for Claremont (Mr. North) who eulogised Sir John Monash. Sir John was a man I did not know personally but, according to reputation, he was a wonderfully capable officer in the Australian Imperial Force. If he was as competent in private industry as he was in the army there can be no doubt that he was a most capable individual. I understand he was a great general. If his generalship was applied to private industry as efficiently as it was applied on the battlefields, there is no doubt that he was a capable man. But Sir John Monashes are few. We have another great man in industry, a man who played a very active part on behalf of the Federal Government in ascertaining the possibilities of the establishment of primary and secondary industries. His name is Sir Herbert Gepp. I ask members whether it is not possible, if this bureau is formed, for us to have in charge a man like Sir Herbert Gepp. But if he treated Western Australia as Sir Herbert Gepp treated South Australia, not too many industries would be established in this State.

Mr. Warner: Definitely not.

Mr. MARSHALL: The appointment of the director of this bureau is an important matter, and I am particularly doubtful of the possibility of our getting a man to fill the position who would have the interests of Western Australia wholly and solely at heart. We can perceive what is likely to happen if we consider the attitude adopted by Sir Herbert Gepp who did his very best to prevent the establishment of the cellulose industry in South Australia. When his efforts to prevent the establishment of a monopoly by his company were defeated by

virtue of the State Government deciding to put into the South Australian company a big sum of money which would at least enable the company to be established, he and Mr. Butler fell foul of each other.

I wish to quote from an item which appeared in the "West Australian" on the 21st September and which goes to show how much is done by monopolies to frustrate attempts to establish companies that might prove serious competitors. I will not quote the whole of the telegram from Adelaide that appeared in the paper, but I will read the letters that were read to the South Australian Parliament by Mr. Butler. The newspaper cutting states—

The Premier read a letter sent to him on September 1 by Sir Herbert Gepp, in which he said the proposal to make low-priced strawboards in South Australia was economically unsound. "Personally I would like to say," said Sir Herbert Gepp, "that as a South Australian who has tried to help South Australia, if I believed that this proposed industry of making strawboards in South Australia was economically sound I would not be opposing the attempt to establish it. It is only because I feel so strongly that the attempt is a mistake that I have taken this action."

The Premier, in reply, wrote: "I would like in the first place to say that if you had been personally desirous of helping South Australia (and I have no evidence of this) you would have been prepared to make this information available to us a year ago, instead of endeavouring by other means to prevent the flotation of the company. Your antagonistic attitude towards the flotation of this company was evidence that your company objected to a competitor in the market for some of your products, and you were determined to retain the monopoly for Australia which you now hold."

Apart from the fact as to whether Sir Herbert Gepp was honest, members will perceive quite definitely from what I have read that any attempt to establish an industry in Western Australia that will take away even a portion of the market now controlled by monopolies in the Eastern States, will be fought secretly and bitterly. That is one of the reasons why many of the wealthy individuals in this State have made no attempt to establish local industry. They know well that their money would be in jeopardy if they tried to obtain a portion of the market now available to them. Invariably when any effort is made to establish industries in this State, the monopolies in other parts of Australia attempt to destroy them at once by using the Western

Australian market as a dumping ground for their excess products. In this way they ruin any chance of establishing on a sound basis any industries in this State that could successfully compete with Eastern States monopolies. The bureau could not tell us much more than that. Our business people are just as astute and wide awake to the opportunities of investment as are other sections of the community, or as are business people in other parts of Australia. Although the local market has been open to local enterprise for many years, practically every attempt that has been made to supply it with goods of Western Australian manufacture has failed either partially or wholly. Our men of means know well that they are up against a tough proposition if they set about establishing industries in competition with monopolies in other parts of Australia. Suppose we create a bureau of industry and economic research. What would be its objective? If it succeeded in the work it would be its duty to perform, two things would happen immediately. In the first place, increased production would follow, and, secondly, further unemployment would be created. These two factors are the natural corollaries to the application of science to production. If this were not so, we would not require a bureau of industry and economic research. If the institution succeeded in doing what it set out to do, the increase in production would destroy the market for those who are now producing. Instead of extending our present activities so that their production might be increased, we would be retarding and discouraging them because there would be no market for their output. I do not think there is any hope of establishing secondary industries in this State if they are in direct competition with monopolies in other parts of Australia. As our population increases, no doubt those monopolies will still further extend their activities in our midst. Sir Herbert Gepp attempted, as I have shown, to block the establishment of the cellulose industry in South Australia on the ground that it was in direct competition with his own interests in Victoria. Owing to the relationship between the monopolies and financial institutions, I imagine no great amount of money will be put into the hands of any individual or set of individuals that could successfully

lead to the establishment of local industries in competition with the Eastern States.

The Premier: Do not forget that he commenced with a frying pan.

Mr. MARSHALL: No doubt this gentleman did commence with a frying pan, but in these well organised and scientific days, what could any man do with a frying pan in competition with modern industry? There was a vast difference between the economic position in those days and the situation to-day. What could be done then with impunity and every chance of success could not be done to-day.

The Premier: Do not give up hope.

Mr. North: Would not monopolies be liable to the danger of invasion to-day?

Mr. MARSHALL: I do not associate with those who control monopolies, and I do not know what their opinions are. Rather am I associated with the victims, as most family men are. It may be that the future holds something for local industries if they are assisted in the way the cellulose industry of South Australia is being assisted. I refer, of course, to the discussion between Mr. Butler, the Premier of that State, and Sir Herbert Gepp. The proposal in South Australia was to put £100,000 into the local company.

Hon. C. G. Latham: Not until after it was found to be impossible to get the money on which to float the company.

Mr. MARSHALL: The Government went to the company's assistance, and I take no exception to that. The only chance people would have of establishing industries in Western Australia in competition with the Eastern States would be through the medium of Government assistance. I am not attempting to justify Government assistance in that direction, nor am I arguing that such assistance should be given. I may have something to say on that subject when we deal with the Estimates. Members of long standing in this Chamber will remember that a select committee was appointed to investigate the possibility of establishing secondary industries in Western Australia. Unfortunately the committee did not finish its work, as Parliament went into recess before it could do so. Mr. Angwin was a member of the committee. The conclusion arrived at after a thorough investigation was that, so far back as the regime of the Daglish Government, there was no pros-

pect of establishing implement works locally except as a State trading concern. Why not? Because of the metal monopoly in the Eastern States. There was no possible hope of competing with that monopoly. Any attempt would have meant failure. And that is over 30 years ago. The organisation is far more scientific and much more closely interlocked to-day than it was at that period. Therefore, although my utterances may appear pessimistic, I submit that we should look facts in the face. It is no use burying our heads in the sand like the ostrich and imagining that because we can see nobody, nobody can see us. If the bureau helps to increase production, the only result will be an economic loss.

The Premier: To whom?

Mr. MARSHALL: We shall be merely flooding markets which are over-supplied now. Moreover, we are always wailing that we want foreign markets for our goods. If science is applied to production, manual labour must be reduced.

Mr. North: But we could have more public works, and we need them.

Mr. MARSHALL: True, many public works are badly needed; but I want members to tell me where the money for those works is to be obtained. The Premier is about to attend another meeting of the Loan Council. It matters not what figure the Premier submits—whether he asks for two or four or eight millions—it will not make any difference in what he gets.

Hon. C. G. Latham: He will spend the lot.

Mr. MARSHALL: He will spend all he gets, and that will not be difficult, having regard to the emphatic demands for public expenditure all over the State. The Loan Council does not control the finances of Western Australia or of Australia. I care not what the Treasurer asks for by way of loan money. When the claims of the various States have been submitted and the proceedings are finished, the Commonwealth Bank steps in and says, "We are very sorry," and down the total goes, down by millions. The significance of this lies in the fact that this Parliament does not rule Western Australia. As you yourself, Mr. Speaker, said, we can submit any proposal, but no matter how urgent and important the proposal may be, our Treasurer's hands are tied. He cannot move except within the limits permitted to him by those in actual control. Will the

bureau tell us how to get out of that hole? Will the bureau, with all the talent it will have at its disposal and with all its knowledge of finance, be able to show our Government how it can secure sufficient funds, and, moreover, secure them debt-free, so that the Western Australian people will not be strangled? If the bureau cannot do those things it can be of very little assistance to Western Australia. We know what is required; there is no occasion for mental exertion to discover what is required. Whenever we look around this great State of ours we see public institutions and public utilities and public requisites in a state of decay and disrepair—in many cases having long outlived their usefulness. The public buildings of Perth are a positive disgrace. However, we cannot help it. We are poor, we have no money. If we are told that the bureau is to develop the State more scientifically and at greater speed than is the case to-day, I reply that it cannot do so unless it first solves the problem of increasing the purchasing power of the people, of paying to the unemployed the wages earned by the machine. That would be something effective.

Mr. North: Seventy millions are now being spent on defence.

Mr. MARSHALL: The member interjecting surely understands that if we bear in mind the enormous volume of investment privately owned in the Commonwealth, running into many millions of pounds, we must assume that those owning the investments will encourage the Australian Government to spend money on their defence. That applies to every country, and hence international strife and war.

Mr. SPEAKER: I am afraid the hon. member is straying a little.

Mr. MARSHALL: I acknowledge, Mr. Speaker, that these remarks have nothing to do with the question before the Chair. I want to know from the Minister for Employment what the bureau is likely to cost. I can visualise the prospect of some good resulting from the bureau. However, I must agree with much that was said by the Leader of the Opposition. We have in almost every State department officers who are scientific experts.

Hon. C. G. Latham: I do not think you could beat Bowley.

Mr. MARSHALL: Or the State Mining Engineer or the State Geologist. In the

Agricultural Department are to be found scientific men second to none.

Hon. C. G. Latham: As good as can be got anywhere.

Mr. MARSHALL: All around us we have scientific experts. If I could be assured that the bureau would not prove too costly, I might be prepared to give it a trial. However, I have another fear, that this proposal may mean the setting-up of another department. Though it would not be costly for the first 12 or 18 months, it would, like other departments, grow in importance, and also in cost to the taxpayer, until saturation point was reached, when we would find ourselves paying far too highly for the amount of good resulting. I reserve my decision on the Bill until I have heard further argument. I have an open mind regarding the measure. I believe it may do some good. However, I doubt it. Still, the measure seems worth a trial. I am quite in accord with what you, Mr. Speaker, stated, that many of us here know all that is required for the advancement of the State, and that if permitted to influence Ministers in the direction of doing those things which we consider essential, we would be able to do everything that this bureau could do. All that we could do and all the bureau will do, is to collect data and other evidence for presentation to the Minister, and it will be the Minister's job to find the money necessary to give effect to requests made to him. I do not think the bureau, if established, will be able to do more than we can. Hence I have my doubts as to the success likely to follow upon the passing of the Bill, but, nevertheless, I shall reserve my decision as to how I shall vote until I have heard more about it.

HON. N. KEENAN (Nedlands) [8.31]: I find myself in a somewhat difficult position, because I differ entirely from the flattering view of the measure expressed by the member for Claremont (Mr. North). At the same time, I do not find myself wholly in agreement with some points raised in criticism of the Bill. I appreciate all that you, Mr. Speaker, said about it, and some of the points you made have been repeated by the member for Murchison (Mr. Marshall), particularly regarding the absence of control. That feature is gradually becoming more and more prominent in relation to the power of this House to direct the policy of the country. It may

well be that that is inevitable because, owing to the rush of events, it is not always possible to consult members of this Chamber. Moreover, if it were possible, it might be very difficult to give effect to the wishes of members. Nevertheless, it is to be regretted that gradually parliamentary life is becoming more in the nature of a debating society. The result of its conferences has certainly very little to do with the broad government of the State. Turning to the Bill, in which I cannot find any particular merits, as I hope to explain, I note that it certainly does embrace some outstanding and peculiar features, one of which is that the bureau will be absolutely and entirely the creature of the Minister of the day. Not only has the Minister the right to appoint the director, but he has the right to appoint at least nine other members of the bureau. In addition to that peculiarity, there is the fact that the whole existence of the bureau that is to be purely the creature of the Government, is to be approved by the Minister. There are no particular criteria as to the character required respecting those who will be eligible for appointment to the bureau. I see from the Bill that if a gentleman has done anything less than 12 months' imprisonment, he will not be debarred from such appointment. He can suffer imprisonment for 11 months and still, if the Bill is to be agreed to in its present form, be eligible for appointment as one of the nine members selected by the Minister. The same position applies to the director. If a person has not been convicted of an indictable offence or has not been imprisoned for an indictable offence, he is declared eligible for such appointment. The members of the bureau are, of course, to be paid, and I share with the member for Murchison considerable anxiety to know what the bureau will cost, not merely from the point of view of the extra burden the taxpayers will have to bear, but from another aspect as well. The other point of view is that this body will undoubtedly be in the nature of an understudy of the Council of Scientific and Industrial Research. The assertion may be made that the bureau will be the understudy in Western Australia of the C.S.I.R., and for that reason the Bill is to be commended. As to that, the C.S.I.R. already maintains a branch in this State, and I have noticed

lately considerable activity on the part of that branch; nor have I any reason to suppose that, to the extent the branch is enabled to carry out its inquiries in Western Australia, it has failed to do so, or has failed to tackle and, to the best of its ability, solve problems addressed to it by any citizen of the State. The C.S.I.R. is a very expensive body, and that is why I join with the member for Murchison in some anxiety as to what expenditure will be involved. In yesterday's "West Australian" I noticed that the expenditure by the Commonwealth Government in that regard is over £200,000 per annum, and in addition, from other sources, the C.S.I.R. receives very considerable sums. It is obvious why that is so. If a body of this description is to function at all, it can be of value only if it is constituted by the best brains that can be obtained. Members will agree that it is impossible to obtain the services of the best brains available without the necessity to pay correspondingly. Therefore, if this understudy of the C.S.I.R. is to be established in Western Australia, and if it is to be a body that can be relied upon to achieve the ends suggested by the Minister—I hope to show in a moment that, no matter how constituted, the bureau will not solve our problems—it will undoubtedly involve the State in large expenditure. Are we prepared to face that expenditure, merely to have established in this State a separate organisation to do what the local branch of the C.S.I.R., if approached and properly requested, will undoubtedly do on our behalf? I hold the view that neither the C.S.I.R. nor the proposed bureau, which I regard as the former's understudy if established in Western Australia, will have the least effect on the problem to which we are addressing ourselves. What is that problem? Surely it is that the time has arrived when we have to face the change in the economic life of Western Australia, and the course we have pursued in the past is no longer of any avail. Up to the present we have developed—and I give credit accordingly to each successive Government—with a considerable measure of success, our primary industries, particularly our pastoral and agricultural industries. To-day those two great industries are faced with the position that they cannot carry on at a profit. It does not matter to the wheat-

grower to-day whether his crop is a failure or not, except to the extent that if he does get a crop it will serve to reduce his losses. Nevertheless, if he gets no crop at all, he may be better off. What justification is there for supposing that the difficulties confronting the State will come to an end, or can be ended, merely by the establishment of a bureau of industry and economic research, or by any other body with a high-sounding title? None whatever. Those who have studied the question know that in all probability the future history of the world will make wheatgrowing profitable only for nations that can produce it at a much lower cost than we can. As for wool, what is the possible hope for the production of wool? Leaving out of account altogether for the moment all the vicissitudes of season, leaving out of account the fact that owing to natural causes that we cannot govern, colossal losses have been made, the actual wool produced costs 10½d. to 11d. per lb. and it is sold for less, every pound of it. The actual cost average for Australia is, I am told, 10½d. per lb., and we all know that this State has not arrived at the Australian average. So we are faced with two of our main industries having no reasonable hope for the future, at any rate for the immediate future—not one year, but possibly many years, seven or more. The necessity therefore arises in Western Australia for changing our economic life. That justifies, and alone but amply justifies, a change-over to the development of secondary industries. I presume that if anything is to be said in favour of the establishment of the bureau, it must be that the bureau will be somewhat useful and destined to assist the establishment of our secondary industries. But is that so? Can the C.S.I.R., or this body which we now propose to establish and which would be the lesser light, assist in the establishment of secondary industries in Western Australia.

Mr. Raphael: Did you say lesser light or lesser evil?

Hon. N. KEENAN: Mr. Speaker, I am unfortunately unable to reply to the hon. member, but I do not think the matter of the interjection can be pertinent to what I am discussing. What I am trying to put before the Chamber and what I hope the Chamber will accept is that neither of these bodies can be of effectual use in estab-

lishing secondary industries in Western Australia. The reason for that has been very largely dealt with by the member for Murchison. What is the position of the secondary industries? Can they receive any advantage from being told by any scientific body that a certain manner of carrying out their work or a certain method of procedure in the course of manufacture is the most advantageous, that their competitors elsewhere will not know of? Is it to be a secret? Of course, that is absurd. As a matter of fact, if anyone here who desires to establish a secondary industry wants anything at all, he wants capital to purchase machinery, which is well known and which, if he becomes the owner of it, produces an absolutely well-known result. He wants capital also, of course, to withstand the competition in the early days of attempting to establish the industry. That is the only *sine qua non*. Over three years ago I dealt with exactly the same matter that the Minister referred to in this House the other night, the many millions of money that we send to the Eastern States every year for some of our necessities and the possibility of the production in this State of some, probably, although not all, of those commodities which are now supplied from the Eastern States. I estimated that possibly £7,000,000 of the £12,000,000 of goods could be produced in this State, but those goods could only be produced in competition with the source of supply which exists to-day and which, as the member for Murchison has pointed out, has behind it an immense trade, an established market and colossal credit. What earthly chance would there be for our industry unless we had some measure of credit also afforded to it? So we come down to this: we do not want a scientific body at all, but a practical body which could assure the Government that a certain business was being conducted on lines that commended themselves and that could command success. If the Government had the money, it could assist that industry. I do not mean absolute money, because, as I also pointed out over three years ago, it would be sufficient for credit to be made available. It would be sufficient for the industry which is established here to be known to have behind it, if it became necessary, the backing of the Government. But the Government's backing must be genuine; if necessary, it must be translated into actual financial operations. And where is the money to be had

at the present moment? No provision whatever has been made for it. Every penny piece that we can look forward to this State handling has been allocated.

Hon. C. G. Latham: As a matter of fact, the Government has mortgaged the future.

Hon. N. KEENAN: The Leader of the Opposition reminds the House that it has gone beyond the present and invaded the future. Whether that be so or not, our secondary industries can only be successfully established if they are financially strong enough to withstand the competition they will have to face from the Eastern States and if they are financially strong enough to maintain that stand while they are slowly—as is always the case—gaining their market. The Premier interrupted the member for Murchison by reminding him of an example of a business of a large character that was evolved from small beginnings and built up. But, Mr. Speaker, unfortunately that day is over. That was the Victorian day. In the Victorian age, industry was built up from the smallest beginnings. The Holt line of steamers was built up by a single man, whose resources were small. The story is that the Blue Funnel came by its name by reason of the funnel being painted blue with the last pot of paint. Other industries were also built up by individuals in those days from small beginnings, but they had not to face the competition of organised industry.

The Premier: We are not going to throw up our hands and say we are finished.

Hon. N. KEENAN: It is no use throwing up your hands. It would produce nothing and certainly would not be picturesque. To return to what is more serious, it must be recognised that the building up of a business from a small start is no longer within the range of human effort, and that has been appreciated at Home. The Board of Trade for the last three years or more has had a committee the object of which has been to discuss that very question, namely whether it would be possible by State aid to enable businesses to be created and grow and prosper as they were able to do before the age of the great combines. One means, of course, would be for the State to act as godfather; the only other way, which was once contemplated in the United States, would be to abolish the right of great industrial concerns to combine. The latter course would not be possible in Australia, or in

any other part of the world, because if it were adopted a shock would be given to employment that the world could not withstand. In the circumstances there is not much use in voting for the Bill. Can it do any good?

Mr. Raphael: Can it do any harm?

Hon. N. KEENAN: We do not pass Acts merely because we think they will do no harm. We ask ourselves the question, "Will they do any good?"

Mr. Raphael: What harm can it do? I repeat the question.

Hon. N. KEENAN: It can do a lot of harm. It can involve us in a colossal expenditure from which we will get nothing. I know of no greater harm than that. I must therefore reluctantly cast my vote against the passage of the Bill which, as far as I can judge, will not be the means of producing any good whatever in this State.

On motion by Mr. Tonkin, debate adjourned.

BILL—NORTHAM MUNICIPALITY LOAN AUTHORISATION.

Second Reading.

THE MINISTER FOR EMPLOYMENT

(Hon. A. R. G. Hawke—Northam) [8.52] in moving the second reading said: This Bill becomes necessary as a result of the establishment by the Northam Municipal Council of a sewerage scheme at Northam. The preliminaries of that scheme were carried out in 1935. In September of that year the council undertook the necessary preparation of plans and the advertising of intention to borrow for the purpose of inaugurating the scheme. The estimated cost to the council was £27,000. In addition to that amount, the council was subsidised on a pound for pound basis out of moneys made available by the Commonwealth Government, through the State Government. The scheme was approved by the ratepayers, and the £27,000 loan was subsequently raised. As time went on and the work was undertaken, it was found that the amount raised by the council by way of loan was not likely to be sufficient for the completion of the scheme. Members will appreciate that a scheme of this description could not be held up. Certainly it could not be delayed for a period of time sufficient to enable the council to draw up fresh estimates

and go through all the necessary preliminaries for the purpose of raising a further loan to provide the additional money required. When the original estimate was exceeded, the work was still being done, and had to be continued without interruption. The council therefore drew upon funds that were available in the electric light account of the council for the purpose of financing the completion of the scheme. An amount of £4,000 was obtained from that source. According to the advice I have received, the council was entitled to use the money in that way so long as it was definitely understood that further money would be raised at a subsequent date to recoup the electric light account.

Recently the council commenced negotiations with a certain financial institution to raise a loan of £4,000—the balance required for the sewerage scheme—to recoup the electric light account for the money taken from that account, so that the scheme could be completed. The institution approached agreed to make available the money on quite satisfactory terms. However, the solicitor for the financial institution, after having carefully examined the information supplied to the bank, found that a loan could not be raised by the council under the provisions of the Health Act or the Municipal Corporations Act in connection with the sewerage scheme, which had already been completed, because the Municipal Corporations Act provides that before any loan can be raised, the proposal and the intention to borrow money to carry out the work must be advertised. In this instance those necessary steps could not be taken because the work for which the £4,000 was required had been completed some months previously. The completion of that work had been made possible because the council had available in its electric light account a credit of £4,000 which it used for the purpose. The point is that the council is not in a position under the provisions of the Municipal Corporations Act to raise a loan of £4,000 to recoup the electric light account because of the reasons I have briefly stated. The Bill is introduced for the purpose of enabling the council to take advantage of the money available from the financial institution, so that the whole matter may be put in order, and the £4,000 used temporarily by the council to complete the scheme replaced in the electric light account. The Bill gives the council the right

to borrow £4,000, the amount by which the original loan was exceeded for the completion of the sewerage scheme. If members desire other information, I will make every endeavour to give it to them, so that they will be fully informed as to the necessity for this measure.

Mr. Withers: It does not interfere with the ordinary borrowing powers of the council?

The MINISTER FOR EMPLOYMENT: They will not be affected in the slightest degree. The Bill is the outcome of a desire to have a special Act passed enabling the council to borrow £4,000 which it cannot borrow under the provisions of the Municipal Corporations Act. It cannot carry out the necessary formalities for the reason that the work for which the £4,000 was required was completed some months ago.

Mr. Doney: Was this caused by an oversight or was the position foreseen?

The MINISTER FOR EMPLOYMENT: I have explained the position. The scheme was under way, and had to be kept going without interruption until its completion. The council found that the original estimate upon which it raised the £27,000 did not provide enough money to complete the scheme. Steps had to be taken immediately to obtain temporary finance, so that the work could be finished. The £4,000 required over and above the original loan was obtained from the electric light account of the council. I move—

That the Bill be now read a second time.

On motion by Mr. Watts, debate adjourned.

ANNUAL ESTIMATES, 1938-39.

In Committee of Supply.

Resumed from the 20th September; Mr. Sleeman in the Chair.

Vote—Lands and Surveys, £57,850:

THE MINISTER FOR LANDS (Hon. M. F. Troy—Mt. Magnet) [9.3]: In addressing myself to the Estimates for the Department of Lands and Surveys I must express my regret that the seasonal conditions which have operated over the last four years have not improved. Drought conditions still prevail in a large portion of the wheatbelt and in the pastoral areas, where their effects have been disastrous, re-

sulting in great loss of wealth in sheep and wool production. More than any other State the welfare and prosperity of Western Australia depend upon its primary industries, and the bad seasons experienced over the last three or four years have reacted on the general prosperity of the State. Happily, the goldmining industry, the dairying industry, and, to a lesser extent, the timber industry, are reasonably prosperous. There is no doubt that had the wheat and pastoral industries not been affected by drought, the State would to-day be enjoying a high standard of prosperity.

The outlook for the wheat and wool growing industries has, unfortunately, not improved, for not only do drought conditions still prevail, but prices for wheat and wool, particularly for wheat, are giving cause for great uneasiness. The fall in wheat prices during the last few months is similar to the fall that occurred about eight years ago. That fall is due to the world's prospective harvests, and particularly to the large crops being garnered in the northern hemisphere. This state of affairs, followed by the crops in the Argentine and Australia, has brought about great uneasiness as to prices, and unfortunately, too, there has been a collapse within the last month or so. The collapse of wheat prices in 1930-31 was followed by five years of low prices, due to a similar succession of large world harvests commencing in 1928. Owing to restrictive measures and droughts (particularly in Canada and the United States), the wheat harvest gradually declined until early in last year, when the exportable stocks did not exceed 88,000,000 bushels. This represented a fall of 520,000,000 bushels from the surplus stock of 609,000,000 bushels in 1932-33. Wheat prices improved over the years 1936-37 and 1937-38, when they averaged approximately 5s. 6d. and 4s. 2d. per bushel. That was due to the much reduced carry-over in wheat-producing countries of the world.

Hon. C. G. Latham: That 5s. 6d. was at ports?

The MINISTER FOR LANDS: Yes, at ports. Owing to the good harvests in other parts of the world, particularly in the United States and Canada, and the encouragement of higher prices, a greater area has been sown for wheat during the last two years, with the result that the wheat world is faced with another crisis from over-

production. A further factor is that the policy of self-sufficiency pursued in European countries has increased the yield from an average of 950,000,000 bushels for the years 1926-30 to 1,200,000,000 bushels for the five years ended 1936-37, an increased production of 250,000,000 bushels per annum. This has resulted in a marked decline in the import demand, and the position has been further aggravated by the competition of exporting countries which this year will reap almost record harvests. I refer to the United States and Canada. The surplus carry-over of wheat in 1931-32 was 514,000,000 bushels. Because of that fact, wheat fell to 2s. 3½d. per bushel. The gravity of the present situation will be realised when members appreciate that the exportable surplus stocks for 1938 are estimated at 580,000,000 bushels, or 60,000,000 bushels in excess of the over-plus for the year 1931-32. So the carry-over this year is 60,000,000 bushels greater than it was when the depression occurred in 1931-32 and wheat fell to 2s. 3d. per bushel. This over-production, and the effect it will have on the State and on the wheat-growing industry, has created a problem which Governments will have to attempt to solve, and will have to be solved, if the wheat-growing industry is to be maintained on a successful basis. The opinion is often expressed here that the State was hard hit by the depression and low wheat prices in 1931-32, 1932-33, and 1933-34. The prices in those years were 2s. 3½d., 3s. 1½d., and 3s. 0½d.; but those low prices were offset by the high yields, and actually the wealth production from wheat in those three years was much in excess of the wealth production from the same industry during any subsequent three years. I submit a table summarising the wheat position—

Year.	Production. bushels.	Value. £	Total. £
1930-31	53,504,149	6,100,588	
1931-32	41,521,245	7,215,043	
1932-33	41,791,886	6,777,193	20,092,824
1933-34	37,305,100	6,002,101	
1934-35	26,985,000	5,061,500	
1935-36	23,315,417	4,873,641	18,000,000 (approx.)
1935-36	23,315,417	4,873,641	
1936-37	21,549,000	5,950,936	
1937-38	36,091,000	7,615,201	18,439,000

It is estimated that the Western Australian harvest this year will be slightly larger than that of last year, the figures

being an estimate of 38,735,000 bushels as compared with 36,091,000 bushels for last year. If we get further good rains, which does not seem very possible at the moment, but which may occur, the harvest should aggregate 40,000,000 bushels. But that, of course, is dependent on conditions over which we have no control whatever.

With respect to sheep and wool, this industry has received a severe setback in the last few years. The reported losses number five and a half million sheep, and the value of our wool production has fallen from approximately £5,000,000 in 1933 to £3,000,000 in 1937. This loss of wealth has not only affected the individual farmer and grazier, but its ill-effects have been felt right throughout the State in business and employment and every other activity. It is reasonable to assume—indeed, it must be assumed—that in consequence of the reduction in the value of wheat and wool amounting to £3,000,000 or £4,000,000 there has not been the money available for activity and employment generally. The State has suffered very severely during the last four or five years. The drought still prevails, especially in the Murchison, Gascoyne and Eastern Goldfields areas; but there has been an improvement in the Pilbara and some of the northern areas. The position of the pastoralists in the Murchison, the Gascoyne, and the Eastern Goldfields areas is to-day highly precarious. They have suffered immense losses, and the position has been aggravated by the fact that very few lambs have been reared. The older sheep, of course, are becoming weaker; and probably the actual position is worse than that indicated by the figures I have given. That is one thing over which the Government has no control. Governments have absolutely no control over droughts, and so we can only express the hope that the end of the drought will soon come, heartening the producer to renewed efforts for the purpose of re-establishing himself and increasing the production wealth of the State.

As regards the butter position, I am glad to say prospects are very bright—temporarily very bright, anyhow. Nobody knows what a year or two may bring forth in any industry during these difficult times. But the butter position has improved, and

the south-western areas of the State have entered upon an era of average prosperity. Butter fat prices have risen from 9.9d. per lb. in 1933 to 15.04d. per lb. in 1937, and the general contentment of the settlers in the South-West is an indication that conditions there have vastly improved.

That concludes a brief review of the industries with which the Lands Department is particularly associated. I wish now to turn to what the Government has done to relieve the position of settlers harassed by circumstances almost entirely beyond their control, namely, drought and low prices. The Government has pursued a consistent policy which has afforded very great relief. The amendment of the Agricultural Bank Act, giving the Commissioners power to write down to what may be considered a reasonable valuation, and several amendments to the Land Act and other Acts, have been passed to give the Government authority to meet the existing situation. The Lands administration also has pursued a sympathetic policy which we can justly claim has been most beneficial to the man on the land. As regards repurchased estates, under powers conferred on the Minister by the amendment of the Land Act passed in 1934, 20 estates have been revalued, and the total reduction in settlers' liabilities on the revaluation amounts to £239,009. In addition, payment of arrears totalling £200,520 to the 30th June, 1936, has been held over for three years.

Owing to the heavy arrears of interest, many of the applications made by settlers on repurchased estates for debt adjustment under the Farmers' Debts Adjustment Act, or by the Agricultural Bank under Section 65, could not be dealt with. In these cases, the lessees are being given new leases for 40 years, as compared with a term of 30 years previously granted, and the arrears of interest existing on the old leases have been written off. The amounts paid by settlers on the old leases are being credited, under the new arrangement, by reducing the instalments under the new leases by equal amounts over the full term of 40 years. The inability to deal with these cases otherwise arose from the responsibility placed upon the trustees of the Rural Relief Fund to make no adjustment of a settler's debts unless they considered the settler had a reasonable chance of carrying on. The liabilities of the settlers here in question were so

great that even though the revaluation of repurchased estates reduced their liabilities considerably, the trustees of the Rural Relief Fund would not adjust the debts as a whole because, in their opinion, the settlers would be unable to carry on. The Lands Department arrived at a formula as a result of which arrears of interest in respect of the leases have been written off and the amounts already paid by the lessees credited to them under their new leases. Their instalments have been reduced and as a result the Trustees of the Rural Relief Fund were able to make the necessary adjustments. I will give the Committee a few examples to indicate how this has operated. The formula I have disclosed has been adopted in its entirety by the Lands Department in order to meet the situation to which I have alluded. As a result, many settlers have not only received concessions, but the arrangement has enabled their debts to be adjusted, which would not otherwise have been possible. Here is an instance from the Avondale Estate, which is situated about 60 or 70 miles from Perth. The settlers there have never experienced a drought. The estate is a grazing, lamb-raising and wheatgrowing proposition. Some of the settlers could not secure the adjustment of their debts because the financial loads they carried were so great. In the circumstances, I will indicate what the Lands Department did. The settlers were granted new leases with a currency of 40 years instead of, as formerly, a period of 30 years; their arrears of interest were wiped out and the settlers were credited with all the money they had paid under their former leases. This is how it worked out: In one case the arrears of interest written off totalled £3,460 and the amount credited to the settler in respect of his new lease with the currency of 40 years, which enabled him to secure a fresh start, was £1,974, representing the amount paid by him under his old lease. Members will agree that was a very distinct advantage to the settler. In that instance the Rural Relief Fund trustees adjusted the other debts of the settler and in the end he emerged with greatly reduced indebtedness and a new lease for 40 years, thus indicating the generous treatment extended to him by the State.

Hon. C. G. Latham: And what is his capital liability now?

The MINISTER FOR LANDS: I have not got the details.

The Premier: At any rate it is very much less than it was.

The MINISTER FOR LANDS: I will get the details for the hon. member, and will make them available later on. At any rate, this will serve to indicate that the settlers have been granted not only a reduction in their indebtedness, but new leases, thus enabling them to make a fresh start. If the treatment I have indicated is not generous, then generosity has lost its meaning. Here is another instance affecting a settler on the same estate. The arrears of interest written off amounted to £3,482; he has been granted a new lease for 40 years and been credited with £2,032 that he paid under his old lease. In another instance, the respective amounts were £2,688 and £819. Here is an instance from the Guranu Estate showing that in one case an amount of £635 was written off and £701 credited to the settler under his new lease. In the Martinup Estate there is an instance of a settler having £1,906 written off his indebtedness and £2,136 that he had paid under his old lease credited to him in respect to his new lease. In the McKenna Estate there is an instance of £1,321 being written off and £665 credited to the settler under his new lease. In the Wilding Estate there is a record of £1,253 having been written off and £744 credited to the settler under the new lease. In the Wongamine Estate there is an instance of £1,683 having been written off and £170 credited to the settler under the new lease. I do not know all the facts but in that case I think the settler was entitled to no such consideration, for he had not paid any rent for 15½ years. Notwithstanding that fact, all settlers have been alike in view of the adverse circumstances. We did not view the position from the standpoint of what one settler had done as against the neglect of another, but treated them all in the same manner and thus enabled them all to make fresh starts. Here is an example from the Fanes Estate in the Moora District. In this instance £3,746 was written off the indebtedness and the settler was credited with £735 under his new lease. In the Hinkley Estate, there is an instance of £2,959 having been written off and the settler credited with £470 under his new lease.

Hon. C. G. Latham: That property must have been very expensive or else very ex-

tensive. I would not like to carry such a load.

The MINISTER FOR LANDS: During my recent visit to Sydney and Melbourne, I had some interesting discussions regarding land values. For instance, in Melbourne I had a talk with the chairman of the Closer Settlement Board and compared the position regarding land in that State with our agricultural land, and I can assure the Committee that our land is dirt cheap.

Hon. C. G. Latham: Why, the Victorian Government has written millions off the indebtedness there! It wrote off £15,000,000 in one lot.

The MINISTER FOR LANDS: When I was in New South Wales recently I had an opportunity of making comparisons, and I assure members there is no dear land in Western Australia.

The Premier: There is plenty of cheap land.

The MINISTER FOR LANDS: There is a block of land in the Dardanup area that is available for £18 an acre and that is in an irrigation area. In New South Wales such land would be valued at £100 an acre.

Hon. C. G. Latham: But the price would not be paid, and the indebtedness would be written off in due course.

The MINISTER FOR LANDS: The Leader of the Opposition need not be annoyed.

Hon. C. G. Latham: I am not.

The MINISTER FOR LANDS: Don't be jaundiced!

Hon. C. G. Latham: I am not.

The MINISTER FOR LANDS: Why does not the hon. member say, "That is a jolly decent deal for the farmers. We appreciate it and thank you for what you have done."

Hon. C. G. Latham: There will be a lot of writing down later on.

The MINISTER FOR LANDS: It is extraordinary that the things that should please the hon. member seem to annoy him.

Hon. C. G. Latham: Not at all.

The MINISTER FOR LANDS: Why does the hon. member speak in that petulant way?

Hon. C. G. Latham: Now tell us what happened in New South Wales?

The MINISTER FOR LANDS: At any rate, the land in Western Australia is not dear. I can cite the Carnamah, Guranu and:

Inering Estates that have been re-valued recently and the position is interesting. A re-valuation board was approved on which two farmers from the Midland district were appointed. One was Mr. Hunter, of Three Springs and the other gentleman was from Carnamah. They refused to recommend any reduction in the Inering Estate because they said the land was too cheap. They said, "We cannot recommend any reduction, because the land is cheap." It will be seen that the land is not dear, as has been suggested. So we have agreed to these reductions because during the past seven years the settlers on these estates have experienced most difficult times and because we were anxious to re-establish the wheatgrowing industry. We hope that, as a result of the generous treatment meted out to them, the settlers will be able to pull through and their position become improved from year to year.

Hon. C. G. Latham: We join with you in that hope.

The MINISTER FOR LANDS: Very well.

Hon. C. G. Latham: I suppose there will be a lot of writing down later on.

The Premier: There will always be problems.

The MINISTER FOR LANDS: We have not ceased in our good work with the mere revaluation of re-purchased estates. With regard to ordinary conditional purchase leases, the values of that type of lease has been considerably reduced consequent upon re-valuation. The reduction in land rents made during the last few years, up to the 30th June, 1938, amounts to a sum of not less than £192,469. We have revalued the conditional purchase leases and reduced the rents to settlers by that sum. We have also reduced the price of vacant land which will be open for selection from time to time. These figures are not yet available. The following areas have been revalued:—Esperance, Lake King, Lake Carmody, Lake Camm, portion of Peel Estate, Dalyalbin, Gibb Rock, Miners' Settlement at Southern Cross, Bullfinch, north of Lake Brown, Wialki-Beacon and area west to Mollerin subdivision, and lands north of Mullewa. The following areas are in process of revaluation:—Westonia, Geralkin area (amalgamations and re-pricing), country north of Bodallin to Bullfinch to western boundary of Westonia lands; King

Rocks locality, South Moorine Rock, Mt. Hampton, Holleton, portion of Peel Estate, and lands north of Mullewa (vacant locations).

The Premier: Will the Treasury be able to stand the tremendous strain?

Hon. C. G. Latham: The Treasury will not lose by it. No money is being taken from the Treasury.

The MINISTER FOR LANDS: Members will appreciate what has been done. In the Bullfinch area, land was written down to 4s. per acre, plus an assessment by the Agricultural Bank considerably below the debt due, or even what was considered to be a fair value of the existing improvements. The following are some instances of the amounts written off on properties in this district, properties which were handed back by the Agricultural Bank to the Lands Department:—The debt to the Bank on one of the properties was £1,045, and the value of the improvements £637; the Bank wrote the debt down to £125. That settler now holds the property for the value of the improvements, namely, £637. On another property the debt was £1,860 and the value of the improvements £2,934. The debt was written down to £900, so this settler has a property the improvements on which are valued at £2,934 for £900. On another property the Bank's debt was £1,447, and the value of the improvements £2,238. This has been written down to £550. On still another property the debt was £1,282, the value of the improvements £1,227, and the debt was written down to £400.

Mr. Warner: Where are those properties?

The MINISTER FOR LANDS: In the Bullfinch area.

Mr. Warner: How long is it since they were cropped?

The MINISTER FOR LANDS: I do not know. Whether they were cropped or not does not affect the position.

Mr. Warner: It affects the position for those who live there.

The MINISTER FOR LANDS: The land is now sold at 4s. per acre as against about 10s. per acre, and the settlers have had the benefit of debt adjustments amounting in some cases to about one-fifth of the value of the improvements.

Mr. Warner: The properties might be worth that price as prospecting areas.

Mr. Styants: Wheat was being grown there three years ago.

Hon. C. G. Latham: Do you know anything about it?

Mr. Styants: Yes. I was driving the engine that pulled the wheat in.

Hon. C. G. Latham: Much of that land is unfortunately salt.

The MINISTER FOR LANDS: Vacant land is now being leased to settlers in those areas by the Lands Department for a period of ten years at a rental based on 3 per cent. per annum of the assessment for improvements. Nothing is being charged for the use of the land. In those areas, a settler may hold his own property and take up on lease from the Lands Department the vacant areas to which I have referred. The terms are liberal and the policy is one that has not hitherto been adopted in this State. No maximum area has been fixed for land that may be leased, but in most cases such leased land did not exceed 5,000 acres. We are thus giving the settler a chance to secure a larger area of improved country, so that he may grow more crops and carry a larger number of stock. Members will note that the land is not being alienated, but merely leased. At the expiration of the term of ten years the land will revert to the Crown, or it may be sold to the settler, if he is a settler of the right type.

In the Esperance district, the Lands Department, working in conjunction with the Agricultural Bank on a reconstruction scheme, allowed settlers to take up additional land by classifying all the land as grazing land. The value of the land was reduced, and the existing conditional purchase leases cancelled. New leases are being issued of the new area, thereby effecting a reduction in the survey fees payable, whilst the settler is given a further five years' freedom from payment of rent, interest on survey fees only being required. As the land is treated as non-cultivable, the settler is enabled to hold a larger area. He has also the advantage of having had his soil analysed, so that he now knows exactly where to grow wheat and what land to use for grazing purposes. He is in the happy position of being able to farm his land with a full knowledge of what it is capable of producing. Any cash paid under the old leases will be credited to the new leases in the same way as has been done with respect to repurchased estates where a settler has had his debts adjusted. The member for Kanowna (Mr. Nulsen) will

agree that the Esperance settler was one of the most discontented settlers in Western Australia but is now one of the most contented. If the Government had done nothing else except take a grip of the position at Esperance, it would have accomplished good work. I have very great faith in the future of that district. I think the Esperance country is destined to be a great sheep area, and as the ground is cleared and the settler eliminates the mallee and the scrub and is able to farm properly, the country will also produce fair average crops of wheat. In view of those facts, and the climatic conditions as well as the district's access to a port, the mallee areas should have great expectations. It is pleasing to state that the Esperance settler, at one time the most discontented in the State, is now one of the most contented.

Mr. Doney: You hold the same opinion about Esperance as that reached by the Light Lands Commission.

The MINISTER FOR LANDS: Section 2 of the Land Act of 1937 provides that with the Governor's approval, settlers in certain districts may hold more than 1,000 acres of cultivable land. Members will recollect that the amendment to the Act making that possible was introduced last year with a view to assisting in the reconstruction of the north-eastern districts. Up to date advantage of that privilege has been taken by a number of settlers. Land has been made available in the eastern wheatbelt to settlers under the Agricultural Bank reconstruction scheme, even without the application of this amendment, by treating the whole of the land as grazing land as was done in the Esperance district. At Bullfinch and the Miners' Settlement further additional land was made available for leasing for 10 years instead of being granted under conditional purchase conditions. The settler's debts were adjusted and then if he desired it, he was given another area of improved land on a 10 years' lease based on a rental of 3 per cent. of the value of the improvements. The Bank is still linking up properties under the reconstruction scheme in the areas referred to, and I hope the result will be that with a return of good seasons farmers will do well, and we shall have a contented and prosperous community. Some settlers in the outer areas desire more

land but are not in a position to pay the transfer fees nor to undertake the responsibility of paying rent. In those instances the Bank has granted the adjoining properties to them at a reasonable rental, and under this plan the settler will be provided with additional land for cropping and grazing, and the land he is renting will be reserved to him by the Lands Department so that when he is able to pay the transfer fees, the land may be handed over to him. That is a concession that will be valued when it is fully understood. The settler is not called upon to undertake any further expense, and that is a concession that has not hitherto been enjoyed in Western Australia. I do not know that we are really entitled to hold land for a settler that another member of the community may require; but as conditions are so difficult and prices are so low, the Government feels that instead of burdening the settler with additional land for which he cannot pay we should hold land for him temporarily until he is able to take it over. That is a great concession which I am sure will be valued by the settlers to whom it is granted.

By the Land Act Amendment Act of 1937, power is given to the Minister, on the recommendation of the Board of Pastoral Appraisers to give relief from payment of pastoral lease rents where loss through drought conditions is proved. This provision was re-enacted last year, and I hope it will be re-enacted again this year. The rents remitted up to date under this heading amount to £132,000. This applies to rents payable for the 18 months ended the 31st December, 1937. I propose to recommend to Cabinet to extend the operation of the Act, so that the concession enjoyed by the pastoralists may be continued. That concession, I am glad to say, is highly valued by the pastoralists. I want to express my pleasure at the way in which the pastoralists have appreciated what the Government has done for them. Almost every branch of the Pastoralists' Association has passed a vote of thanks expressing appreciation. That could very well be done in other quarters that I might mention. The pastoralists were given that remission because they have had the worst experience in their history. Never has there been a drought in my district similar to the present drought, and I have no doubt that the member for

Pilbara (Mr. Welsh) will bear that out. Nobody has known a drought as serious as the present one. Many pioneers who bore the heat and burden of the day in the early years, going out into the back country even before the goldfields were established, have sustained great losses, and more than one has told me that his position is worse than it was 50 years ago when he began operations. Those men cost the country nothing. They do not ask for a shilling. They are not clients of the Agricultural Bank, and the Government gives them no subsidy. The Government gives them nothing but remission of rents. It can truly be said that from this industry and the goldmining industry which cost the country nothing the greatest benefits have accrued. The Land Act Amendment Act, 1932, provided that pastoral leases, to expire in 1948, could be surrendered and new leases obtained in lieu with tenure extended to 1982. It would have been possible to carry out the intentions of that legislation provided lessees paid the statutory charges at the Titles Office for registration of surrenders, discharges of mortgages, and substituted mortgages, together with stamp duties involved, and in most cases legal charges for the preparation of the necessary documents. In the case of some pastoralists this expenditure would run into hundreds of pounds. People in the industry interviewed me and showed me what the cost would be if they were required to acquire new leases in this way. Although in the Land Act, 1933, the amendment, was re-enacted, this legislation embodied additional provisions to the effect that on service of notice by the Minister for Lands on the Registrar of Titles that the lessee's application for leave to surrender had been approved, the old leases would by force of law be surrendered, and the Registrar was then required to register the new leases and carry forward the encumbrances. All registration fees were thus abolished, and by this simple process the new registration was secured. The pastoralists were thus relieved of considerable expenditure other than new lease and endorsement fees, and beyond signing their applications and obtaining mortgagees' consents, were little further concerned, the work being carried out internally between the Lands Department and the Titles Office. I am told by pastoralists that this has saved them hun-

dreds of pounds. Up to date 2,046 leases expiring in 1942 have been surrendered, and 1,142 new leases expiring in 1982 have been issued in lieu thereof. All this work is well in hand without cost to the pastoralists.

I wish now to deal with the question of arrears of rents. Land rents owing at the 30th June last, including arrears on repurchased estates, which have been suspended for three years, amount to £767,462. In addition to this sum arrears totalling £265,625 have been capitalised, either by extending the term of the lease or by increasing the instalments over the balance of the term. The department has been very generous with respect to rent commitments. Many people in this country had been unable to pay rent because of drought and low prices. The rent position is, therefore, a particularly bad one to-day. Although in some cases we feel that the settler who pays nothing should pay something, we have given him the best possible treatment. I am glad to say that most settlers do want to pay. Last year, owing to the better price of wheat, the settlers paid £20,000 more in lease rents than they did in the previous year. That is an indication that the majority of settlers want to pay if they can. Altogether, with the arrears which have been capitalised, and the rent owing to the Department of Lands and Surveys, the amount owing to-day is approximately £1,000,000. That is money the Treasurer would like to get hold of because it would help the finances. The interest rates have been reduced by the Government on land taken up from the 1st July, 1933. The rate on survey fees and improvements was reduced from 7 per cent to 5 per cent. On all repurchased estates the interest rate to returned soldiers was reduced from the 1st January, 1934, from 6 per cent. to 4½ per cent., and to civilians on the 1st July, 1936, from 6 per cent. to 5 per cent. This reduction in interest on repurchased estates was applied to all existing leases. We have also reduced the interest rates which the settler was paying, and in that respect he has obtained great relief.

Special settlements were inaugurated by the Leader of the Opposition when Minister for Lands. I refer to Nannup, Walpole and Napier. These special settlements were started for the absorption of unemployed in 1931. They were carried on by the Lands

Department until recently, when they were handed over to the Agricultural Bank. The Walpole settlement was handed over on the 1st July last. The settlers there have been granted free homestead farms for the whole of the land comprised in their holdings, and the debts taken over by them for the improvements have been based on an assessment taking into consideration only the carrying capacity of the improved land. These settlers have not been required to pay the full expenditure incurred by the Lands Department on the holdings. The properties have been valued on their carrying capacity. In the South-West the carrying capacity is not good until after a number of years of settlement. On our group settlements the carrying capacity is very much greater than it was seven or eight years ago. It takes some years for this new country to sweeten and before the carrying capacity can properly be estimated. In the early years of settlement the carrying capacity is not great, so the properties cannot be valued on the expenditure incurred upon them, but must be valued on the carrying capacity if we are to do justice to the occupants. These settlements have been more expensive than they might have been, because some of the original settlers never intended to stay there. They went there only because it was a better home for the time being. They regarded the holding as a place to stay in for a time, and on which they received £8 a month, a home, and other privileges. When they had the opportunity to get another job, they took it. Frequently the Lands Department had to put a new man in to do the work all over again. Sometimes areas were abandoned, and when the new settler came along he had to recondition the holding. Expenditure had been incurred in that way that should never have been necessary. Personally I would not be responsible for any of this type of settlement; it is not a good type. My experience of such settlements is that some people who go there want Government advances only and want them always. They wish to be paid for everything they do, and will do nothing if they are not paid. There is no possibility of developing settlements of that kind if a man will do nothing for himself. On the group areas there were settlers who took the attitude, "Let the Government do it, let the Government pay for it. No matter what the

losses, let the Government bear them." This settlement has been in some respects similar—not all of it, but one settlement particularly has been similar, and one settlement has been exactly the opposite. At one settlement in the Albany district the settlers acted with a great sense of responsibility, and pulled through with a much lower capitalisation than any other similar form of settlement in Western Australia. I am not in favour of this class of settlement. I never was in favour of it. Some of those settlers had no interest in the settlement. For the time being it represents a home, a shelter and a wage. Such settlers want to dictate their own terms, and then finally they go out. Then the settlement receives a setback; the timber grows up again, and further expenditure is required to re-condition the settlement. Of the original settlers at Nornalup numbering 81, only 14 remain. The total number of settlers there now is 39. Settlers have been put in and have gone off, and others have been put in and have gone off when the occasion suited them.

Such settlements are not financially sound except under a different form of society. In some countries people do what they are told, and have to get results; but in a democratic country like Australia, where the individual has the right to dictate to Governments, settlement of this kind is a very different proposition. Personally, I will have nothing whatever to do with such settlements in the future. The only possible form of settlement, if the settler must be assisted, is a settlement where a man does something for himself, where he regards the settlement as his future, his enterprise, and puts into it his own labour as far as possible, so as to save expense. The settlers referred to have received a very decent deal, and I hope they will do well. On the choice of this settlement I compliment the Leader of the Opposition. The selection of the Walpole area was the best selection made in Western Australia. I compliment the hon. gentleman again, if he will accept the compliment.

Hon. C. G. Latham: You do not know the nice things I say about you at times.

The MINISTER FOR LANDS: In connection with this work of land settlement, I wish to pay a tribute to the social work done by the Women's Immigration Auxiliary Council, which operates in association with the Lands Department. I regard

the social work done by the Women's Auxiliary as the greatest social work done in Australia. When I was in Melbourne a congress of social organisations met in the Town Hall, which was crowded. The congress was addressed by Dame Lyons, who commended the women upon the great work they had done. I think I am in a position to say that those women have done no work comparable to that of the Women's Auxiliary of Western Australia. I feel I am entitled to say a word on behalf of the Women's Auxiliary. A considerable amount of relief has been provided in group areas in the form of clothing and medical attention to the wives and children of needy settlers. In May of this year approval was given for extending this assistance to the drought-stricken portions of the wheat belt. For the year ended on the 30th June last the total payments from the fund amounted to £896, and since that date payments amounting to approximately £170 have been made. Relief afforded in the drought-stricken areas to the 30th June last totalled £91, and approximately a further £20 has been expended since the end of the last financial year. The number of payments made from the fund as from the 30th June, 1937, to the 31st August last is 590, made up as follows—

	£
Accommodation	185
Travelling expenses	148
Dentists' fees	36
Medical expenses	149
Chemists' fees	65
Sundry	7
	<hr/> 590

When country women have come to Perth for serious operations, this auxiliary has found and paid for accommodation in 185 cases; and some of those have been serious and could not have been treated except in Perth. Each of those persons was met at the station, taken to hospital, and sent to a convalescent home for recuperation; and the whole of the costs were paid by the auxiliary. Hundreds of parcels of clothing have been sent to distressed settlers in various districts.

Member: Where does the money come from?

The MINISTER FOR LANDS: At the beginning a grant was made by the British and State Governments. Latterly the funds

have been supplied by the State Government and Lotteries Commission.

Mrs. Cardell-Oliver: The other night you said women did not do anything.

The MINISTER FOR LANDS: The other night I was speaking about women who want to sit on juries. In connection with the auxiliary I know of women who prefer to work obscurely. They come from their homes and do their work, and they never make a noise about it. One lady in particular has given distinguished service—Mrs. Deans. I do not think her services are paralleled in Australia.

Hon. C. G. Latham: All the same, you will not let her sit on a jury!

The Minister for Works: Do you think that lady would want to sit on a jury in her spare time?

The MINISTER FOR LANDS: If I had not had women like that lady in mind, I would have opposed the Bill. The hon. member knows that the real women and many of the best women are those who are labouring in outback country centres. They are the women who are making this country.

Mrs. Cardell-Oliver: And they will be able to sit on juries too.

The MINISTER FOR LANDS: I must induce the member for Swan to recite the poem entitled "Women of the West," and if that type of our womanhood wishes to sit on juries, then I shall be surprised. However, to revert to the point I was discussing. Someone may suggest that there should be no necessity for organisations of this description. There may not be, but I am afraid there always will be, because sickness and ill-health are liable to be the experience of so many. At times people outback have to pay a great deal for medical treatment. It may be suggested that they need not pay so much, but it is because of such necessities that organisations of this description are required to render help to individuals at the time of their greatest need. A little while ago I threw some bouquets at the Leader of the Opposition, but now I desire to take back what I said, partly if not wholly. I have been informed that at the recent Country Women's Conference in Perth, the Leader of the Opposition said that if he became Premier he would pay the fares of such people to the city.

Hon. C. G. Latham: I never said any such thing.

Mr. Marshall: At any rate, you could with safety have given such an assurance.

Hon. C. G. Latham: I did not say anything of the sort.

The MINISTER FOR LANDS: Then I have been misinformed.

Hon. C. G. Latham: The Minister for Works was there.

The Minister for Works: I forget what was said, but I know they cheered the hon. member.

The MINISTER FOR LANDS: As a matter of fact, the fares are now paid but not from the fund controlled by this organisation, but by the Premier's Office. The Government has paid the fares for the unfortunate people who were forced to journey to Perth for hospital treatment. The Commissioners of the Agricultural Bank have been actively engaged in pursuing the policy of debt adjustment and reconstruction, and the total amount written-off to the 31st March last and approved by the Executive Council was £4,605,005. The Commissioners adopted that course under the authority of Section 65 of the Agricultural Bank Act of 1934. They have since approved of writing-off a further amount of £560,400, and this, together with other amounts written-off since the 31st March last, brings the total written-off to the 30th June last to £5,354,673, made up as follows:—

	£
Agricultural Bank	1,552,012
Soldier Settlement Scheme ..	803,437
Industries Assistance Board ..	1,156,634
Group Settlement	1,842,590

We have been told from time to time that the Government and the Agricultural Bank have done nothing for the settlers. Had it not been for the amendment to Section 65 of the Agricultural Bank Act, the Government would not have been able to write-off any of the indebtedness. Nevertheless, the Government and the Bank have written-off nearly £6,000,000 during the last few years, and yet it was stated by some persons that the Government had done nothing. I do not think that assertion is made by farmers for they have become wiser. They appreciate what has been done. I addressed a meeting of wheatgrowers a few weeks ago, and I found unanimous appreciation of what the Government has done in their interests. In addition to the amount I have indicated, the Lands Department has

written-off £563,731 of the indebtedness of settlers, and that makes a grand total of £5,918,404 written-off in the past few years. Yet we read in the "Primary Producer" that the Government is hostile to the farmers!

Mr. Thorn: Is that the only paper in which you read such statements? Have you ever read the "Wheatgrower"?

The MINISTER FOR LANDS: Yes, and I find the "Wheatgrower" is now repentant. As a matter of fact, I was prepared to address the members of the Primary Producers' Association and tell them what the Government had done. But they do not want to hear that, for it is a political organisation. However, I have told the House what the Government has done for the primary producers in the last few years, and that record has not been paralleled by any other Government in the history of Western Australia.

It will be remembered that some time ago a Royal Commission that reported on the operations of the Agricultural Bank indicated that the institution would have to write-off at least £6,000,000 of its loans to settlers. Actually the capital advanced is £16,000,000, and of that the Bank has already written-off 33½ per cent. Is it not rather ungrateful to make charges that the Government has been unsympathetic?

Mr. Thorn: I have never noticed that.

The MINISTER FOR LANDS: Naturally the Government does not intend to give away the whole country. The decision to effect the writing-down was arrived at after close investigation of the facts. Turning to a consideration of the group settlements, the total expenditure on that undertaking, including the cost of raising the loan funds, was £7,695,210. The debt written off holdings prior to their being handed over to the Agricultural Bank aggregated £3,164,758, and together with the writing-off approved recently by the Commissioners, the total amount by which group settlement indebtedness has been reduced is £5,023,023. I admit that I regarded that writing-off as inevitable, considering all the circumstances. It is not necessary to traverse ancient history, for members generally know of our experiences regarding that venture. Some years ago we abandoned 900 locations and that, together with the debt adjustments effected during the last few years, has had markedly beneficial results in that part of

the State. The increase of butterfat production for the year ended the 30th June, 1938, compared with the previous financial year, was 21.2 per cent., and it is considered that the group settlers have increased their production by at least that amount. The improved conditions in this area are reflected in the interest payments that group settlers are making to the Agricultural Bank. These payments, for the four years ended the 30th June, 1938, are as follows:—

	£
1934-35	6,788
1935-36	16,761
1936-37	35,086
1937-38	36,344

Settlers who have not met their interest commitments in full have considerably improved their securities. Generally I believe I can say that the position of the group settlers to-day is more stable than it has been in the history of the settlements. Settlers are happier and more contented.

Hon. C. G. Latham: Why?

The MINISTER FOR LANDS: Because we adjusted their debts and gave them better terms.

Hon. C. G. Latham: Is it not because butterfat is a better price?

The MINISTER FOR LANDS: No. Butterfat was 15d. per lb. when the hon. member was in office. The group settlements were then in a very bad condition. I shall give the facts.

Hon. C. G. Latham: I will give you facts of your three years' occupancy of the position of Minister for Lands.

The MINISTER FOR LANDS: Yes. I know the hon. member is very jealous of me.

Hon. C. G. Latham: There is nothing to be jealous about. I would not like to have that stain on my character.

The MINISTER FOR LANDS: The improvement is like a procession; it is a grand march.

Hon. C. G. Latham: When you took over, the settlers were walking off their holdings. They would not stay there under you.

The MINISTER FOR LANDS: The Leader of the Opposition is groaning now about the price of butterfat when he was in office, and about the terrible time his Administration had. I have quoted to-night what we have done for the settlers in the past few years. The hon. member was in

office for three years, and he has no record.

Hon. C. G. Latham: You will not convince anyone in this House, any more than you will convince anyone outside it.

The MINISTER FOR LANDS: The Leader of the Opposition has a jaundiced mind. He is full of rancour.

Hon. C. G. Latham: Are you to be Acting Premier next week?

The CHAIRMAN: Order!

Hon. C. G. Latham: We have to roar so that the Minister may hear.

The CHAIRMAN: The hon. members are not going to roar.

The MINISTER FOR LANDS: The Leader of the Opposition knows that we helped the settlers; they know it also. The hon. member has capitalised me for years. I was at a meeting of the wheatgrowers recently when I discussed the question of Section 51. I asked them what was iniquitous about it, but got no reply. I said that all the settlers were asked to do under Section 51 was to pay one year's interest, even though they might owe 20 years' interest; and they would be called upon to pay the one year's interest only if they had the money to pay. As I say, political capital has been made, but I am sanguine that time will prove me right. If I may say so, not in a spirit of boastfulness—

Hon. C. G. Latham: No, you are incapable of it.

The MINISTER FOR LANDS: We took the group settlements over and put them on their feet. We eliminated 900 locations and the hon. member said I was wrong. The proof is that no attempt was made to settle those locations again.

Hon. C. G. Latham: Who settled them in the first place?

The MINISTER FOR LANDS: That is very unfair. Who started the group settlements?

Hon. C. G. Latham: Who settled those 900 settlers?

The MINISTER FOR LANDS: The Government, of which the hon. member was a supporter, put the first settlers on the Peel Estate in 1923, or rather in 1921.

Hon. C. G. Latham: In 1923, you said. We went out of office in 1924.

The MINISTER FOR LANDS: I condemned the group settlements when my party was in opposition. The "West Australian" advertised me as an opponent of group settlement. When I became Minister for Lands, the "West Australian" said I was

not the person to be appointed Minister for Lands, because I was not in sympathy with the group settlements. No persons were settled on the group settlements during my administration. We removed 900 to other parts of the State. As a matter of fact, I inherited the group settlements. Any Government would inherit them, because our Government made an agreement with the British Government which was legal and binding. The agreement could not be abrogated by the person most hostile to group settlement in Western Australia. Sir James Mitchell made the agreement, and the hon. member was a supporter of his Government.

Hon. C. G. Latham: Did Mr. Collier make an agreement?

The MINISTER FOR LANDS: When the Country Party organisation raised the question of group settlements, what happened? A rift occurred in the Country Party. What did the hon. member do? He left the Country Party and joined Sir James Mitchell.

Hon. C. G. Latham: I ask for the withdrawal of that statement. It is untrue.

The MINISTER FOR LANDS: A member is not permitted to say a statement is untrue.

Hon. C. G. Latham: It is untrue.

The MINISTER FOR LANDS: He may say a statement is incorrect.

The CHAIRMAN: I think the Minister should withdraw.

The MINISTER FOR LANDS: Let me understand clearly where I stand. You, Mr. Chairman, say I must withdraw because the Leader of the Opposition objects to something I said. I respectfully point out that I am not compelled to withdraw a statement unless it is unparliamentary.

Hon. C. G. Latham: Or untrue.

The MINISTER FOR LANDS: The hon. member made a statement that is unparliamentary. He suggests I was telling a lie. A member is entitled to dispute what I say, but he must not say I am telling a lie. I have no intention of allowing the rules of the House to be abused, and I myself shall not abuse them. I made this statement, that a rift occurred in the Country Party and that when the subsequent elections took place, the hon. member ceased to be a member of the Country Party.

Hon. C. G. Latham: That is not what you said. I would accept that statement.

The MINISTER FOR LANDS: The hon. member supported Sir James Mitchell.

Hon. C. G. Latham: Will the hon. member withdraw his statement?

The CHAIRMAN: The hon. member is making an explanation.

Hon. C. G. Latham: Very well. I said the statement is untrue.

The Premier: That is unparliamentary.

Hon. C. G. Latham: Read Standing Order 131.

The MINISTER FOR LANDS: The hon. member can dispute what I say.

Hon. C. G. Latham: You cannot tell untruths about members.

The CHAIRMAN: Order!

The MINISTER FOR LANDS: The hon. member cannot say that I have made a direct statement which must be withdrawn.

The CHAIRMAN: What point is the Leader of the Opposition raising?

Hon. C. G. Latham: I am appealing under Standing Order 131 to the Minister for Lands to withdraw the statement. The Standing Order reads—

No member shall use offensive or unbecoming words in reference to any member of the House.

The MINISTER FOR LANDS: What I said was not offensive.

Hon. C. G. Latham: I say that it is offensive to make a statement that I left the Country Party because of the group settlements and joined Sir James Mitchell's party. That statement is not true and it is offensive to me.

The CHAIRMAN: Does the hon. member ask for a withdrawal of the statement?

Hon. C. G. Latham: Yes.

The CHAIRMAN: I rule that the statement was objectionable and ask the Minister to withdraw.

The MINISTER FOR LANDS: What was offensive in the statement?

The CHAIRMAN: I rule that the statement was objectionable to the Leader of the Opposition.

Hon. C. G. Latham: If what the Minister for Lands said was true, it would not be objectionable.

The Premier interjected.

The CHAIRMAN: Order! There can be only one Chairman at a time, and the Premier is not Chairman at present.

The Premier: I merely wanted to prevent you from making a mistake.

The CHAIRMAN: I rule that the statement that the Leader of the Opposition left one party and joined another was objectionable, and I ask the Minister to withdraw.

The MINISTER FOR LANDS: I do not propose to cause trouble. I intend to withdraw the statement, but I give this warning—

Mr. Sampson: You must withdraw unconditionally.

The MINISTER FOR LANDS: There is an opinion in this House that when the Chairman gives a ruling members must obey it, but I warn the Chairman that one night a member will not obey, and he will be put out of the House.

Mr. Hughes: On a point of order, the hon. member is not entitled to threaten the Chairman.

The CHAIRMAN: Order! The Minister for Lands may proceed.

The MINISTER FOR LANDS: I am not threatening the Chairman.

The Premier: The Minister is making a plain statement of fact.

The MINISTER FOR LANDS: Yes, I am making a plain statement of fact. If any member of this House is assaulted by the Sergeant-at-Arms, he does not lose his privileges. If the Sergeant-at-Arms so much as wrongfully lays his hand on a member, the Chairman is not excused because the Sergeant-at-Arms did it, but stands personally responsible for the action.

The CHAIRMAN: I do not think that has much to do with the matter.

The MINISTER FOR LANDS: It has a lot to do with it. If members are going to be hurt about a direct statement of fact and say it is objectionable, all expressions of opinion will be impossible.

The Premier: There will be no criticism.

The MINISTER FOR LANDS: I now return to the subject under discussion. The hon. member said, "You spent £7,000,000 when in office." I took over the whole of the burden of group settlement and the expenditure had to be continued because the scheme had been started. It was in a very bad mess and was not succeeding too well. A large amount had been spent on the 2,000 settlers, but I remember that at the time the hon. member said in this House that I was not spending enough. His complaint then was that we were not doing enough for the farmers.

Mr. Withers: He said that we were not giving them a fair go.

The MINISTER FOR LANDS: He spoke about the 3,500 farms scheme, upon which I embarked with great hesitation and caution. He said, "You are only dangling this before our eyes; why not go on with it?" But we would not undertake the scheme without the fullest investigation. Now he says that we spent money when we were handed the administration of the country, though at that time he complained that we were not spending enough. He even complains to-day that we are not spending enough. I am very sorry that I came into conflict with the Leader of the Opposition.

Hon. C. G. Latham: You never speak without doing that.

The MINISTER FOR LANDS: The hon. member is always hurt. He is always chagrined and jaundiced by what we have done because it is a reproach to him. In all these matters he displays a very bad feeling. He has exhibited bad feeling to-night. That is because what this Government has done is a reproach to the hon. member and his party. Naturally, he is always pained and chagrined. He does not want what this Government has done to get abroad. He wants to convey something to the contrary, and does so. It is only natural that when I speak of what the Government has done, he is very hurt.

As a matter of fact, the group settlers are now very contented people. I hope the difficulties of the South-West are at an end and that the settlers are in for a good time. A deputation recently asked me whether I would remove settlers from the wheat belt to the South-West. This reminded me that when I was in office in the Collier Government the group settlers wanted to be transferred to the wheat belt. Now some of the wheat belt settlers want to go to the group settlements because the South-West is doing well and is prospering. I hope that prosperity will continue, and that the long-delayed hope of the wheat-belt settlers for good seasons and prices will soon be realised.

During the last five years adverse conditions in the north-eastern wheat belt particularly have necessitated the provision of considerable assistance to enable settlers there to carry on. The total amount made available by the Government by way of drought relief and sustenance advances is nearly £500,000. The number of farmers in

receipt of sustenance advances is 1,025. In addition to the writing-down that has taken place, we have been giving sustenance advances in excess of those given by our predecessors in office. In addition, stock belonging to settlers in the eastern districts has been exempted from the statutory charge in favour of the Commissioners in order that advances could be secured from private firms. The amount involved from October, 1937, to July of this year is £107,789. The Bank has stood aside and allowed the insurance firms to advance over £100,000. In every way the Bank has gone to the utmost lengths to assist the men on the land.

In the Esperance, mallee and other areas a comprehensive soil survey and reclassification has been carried out by the Lands Department. This has enabled the Commissioners of the Agricultural Bank to embark upon a policy of reconstruction on a wheat and stock basis. Additional advances have been made by the Commissioners for fencing, plant, and sheep to enable settlers to change over to the new occupation from wheat farming to sheep and stock raising, with a reasonable prospect of success. In many cases additional developed land has been provided by the linking of holdings at very low assessments, and the land has also been repriced at a low figure. In the Esperance area the total writing off by the bank has been £503,687. Similar action has been taken in the Lakes country, part of the 3,500 farms scheme. Advances have been made there for fencing and for additional clearing, so that each settler might have on his holding cleared land up to 700 acres. In this area, too, holdings have been linked and the land has been re-priced. The settlers are therefore able to widen the scope of their operations. Settlers in the Lakes area are becoming permanently established and prosperous. I am glad to know they are doing well. The carting subsidy payable to these settlers has been continued. The Transport Board is now making arrangements for a transport system to the locality and this will solve, I hope, all their transport difficulties.

I wish now to refer to farmers' debt adjustment. During the past year the trustees of the Rural Relief Fund have made the utmost progress in the adjustment of farmers' debts that the allocation of Commonwealth funds permitted. Altogether, 2,522 applications had been dealt with up to the 30th

June last. The total amount disbursed from the fund was £776,790, of which £764,000 was made available by the Commonwealth Government, and £2,790 represents repayments to the fund by farmers who had previously secured advances. Some of the farmers, therefore, have repaid the amounts that were advanced to them. With these funds at their disposal the trustees have arranged for the cancellation of £3,150,000 of debt out of a total of £11,152,000 representing an average reduction of farmers' liabilities of nearly 30 per cent. Of the total cancelled debt the Agricultural Bank alone has written off £869,000 without receiving any money from the fund, this having been precluded by the terms of the Federal grant. The writing down by the commissioners is in addition to the millions written off under the authority given by Section 65 of the Agricultural Bank Act. The water Supply Department has also written off £11,730 of water rates owing by farmers.

Secured debts, other than those of the Agricultural Bank, have been reduced by £1,018,000, of which amount £586,736 was written off and £430,614 paid in cash from the fund. Machinery debts have been reduced from £408,000 to £103,000. Unsecured debts have been reduced to the extent of £1,272,379, of which £936,203 was written off and £336,176 paid by the trustees, leaving a balance owing by farmers of only £41,000. The trustees of the Rural Relief Fund Act have done their work most efficiently. Western Australia has accomplished more debt adjustment than have all the other States combined. More would have been accomplished had the Commonwealth Government been able to provide funds. Many farmers are thus in a happier position to-day, and feel more secure than they did a few years ago.

I wish to give a few figures dealing with the reconstruction that has taken place in the Merredin and Kununoppin districts. I told members that the bank had engaged upon a policy of re-construction in those areas. Let me give examples of the result of this reconstruction. I have before me 20 examples taken from the Merredin and Kununoppin districts. In one instance in the Lake Brown area the amount of the original indebtedness was £3,182, and that amount has been written down to £575. In the North Burracoppin area the original debt was £3,395 and it has been written down to £900.

I have heard it urged that the Bank should write down on the basis of 50 per cent., but would point out that the Bank has done much more than that for those settlers. In another case, Warrachuppin, the original indebtedness of £1,229 was written down to £250, and again in the same area the original indebtedness of £1,622 was written down to £450. In the Goomarin area the original debt was £5,588, written down to £1,450. In the Burracoppin area £2,352 was written down to £650; in the Nungarin area £9,028 was written down £1,750, and in North Burracoppin £5,467 was written down to £1,300. These are only some of the examples. The member representing the district knows what has been done for his constituents. This is the manner in which the Bank has re-organised and re-adjusted affairs in the areas that have been affected by drought. I hope the results will be good for those concerned. I think I have proved by actual facts what the Government has done for the settlers in the last few years. It is opportune to do that now when one bears in mind the abuse that has been heaped upon the Agricultural Bank and the commissioners, and the misrepresentation of the Act that has been indulged in. All this writing-down would never have been done but for the authority this Government gave to the Bank; all this reconstruction would never have taken place except as a result of the authority of the Agricultural Bank Act of 1934. Again reverting to Section 51, what objection can any reasonable man have to a provision which states that if the settler can pay, he must pay, one year's interest, even though he owes 20 years'? Is there anything unreasonable about that? It is not unreasonable, and I am glad that the farmers themselves recognise that it is just. Whenever a man comes on a depuration and complains, I ask him what is wrong. He cannot tell me. The other day I addressed a meeting of wheatgrowers, and they had not a word to say about Section 51. Truth will prevail in time. I think I can claim that the present Government has been generous to the Western Australian farmer, has given him marked assistance, has stood by him in his time of stress in a way that no other Government has ever done, has met his needs in a way no other Government has ever done. I am sure that in good time we will get the thanks of the community for

it. I say these things without boasting, because it is not matter for boasting that they had to be done. I regret that they had to be done. Sometimes I think more yet will have to be done, because the position of the farming areas will not improve if prices remain as they are.

The great trouble to-day is not any Government neglect. The settlers' difficulties to-day are not due to lack of sympathy on the part of the Government. The settlers' difficulties to-day are seasons and prices, matters over which the Government has no control whatever. The Government has been succouring and helping the industry, and in that respect has done good work for the people of Western Australia. I am sure the assistance we have given to settlement has never been paralleled by any other Administration. That is all I have to say. I hope that the drought in the wheat belt and other areas will end, and that there will be happier times, because those settlers have suffered great distress. I can fully understand the feelings of men who year after year have put in crops and before harvest time have realised that those crops will not mature. I can understand the feelings of men who in the past have given their lives and all their activities and all their strength to building up an industry which has failed them. As for myself, having done my best for this department and for the people, I shall continue to do it in the future; and I trust that in a very few years all of the settlers will overcome their difficulties.

Progress reported.

House adjourned at 10.55 p.m.

Legislative Council,

Tuesday, 27th September, 1938.

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

QUESTION—KING'S COUNSELLORS.

As to Order in Council.

Hon. C. F. BAXTER asked the Chief Secretary: As, according to an Order in Council made in 1900, all appointments as Queen's (King's) Counsellors were to be made on the recommendation of the Chief Justice—1, Has this Order in Council been amended? 2, (a) If so, in what respect? (b) On what date.

The CHIEF SECRETARY replied: 1, Yes. 2, (a) By providing that "it shall not apply to any person who is a senior Law Officer of the Crown, viz., the Solicitor General or the Crown Solicitor, and the Governor may act on his own initiative in appointing any such person as King's Counsel." (b) 10th February, 1936.

BILL—STATE GOVERNMENT INSURANCE OFFICE.

Second Reading.

Debate resumed from the 20th September.

HON. C. F. BAXTER (East) [4.33]: If my memory serves me aright, this represents the seventh State Government Insurance Office Bill that has come before us. The measure now submitted to the House, however, is restricted in character compared with its predecessors. For that reason, some members may feel disposed to favour it in its present form. I have always stood foursquare against the extension of State trading concerns. Just now when the situation is particularly acute, more than ever is it necessary that Parliament should prevent any further incursion into that field. Year