

throughout the Commonwealth, and of the Supreme Court Judges in the State, and of the Justices of the Commonwealth High Court? He was a man capable of clear and sound judgment, and he considered necessary a policy for a retiring age for stipendiary magistrates.

Hon. J. J. Holmes: That Bill was introduced to give the magistrates some security of office. They had none before.

The CHIEF SECRETARY: If it was a sound principle to adopt in the case of the President of the Arbitration Court, it is equally sound in the case of judges of the Supreme Court.

Hon. H. S. W. Parker: The retiring age of the President of the Arbitration Court was fixed at 70 by the managers of the conference.

The CHIEF SECRETARY: And was accepted by managers representing this House.

Hon. J. J. Holmes: Of whom you were one.

The CHIEF SECRETARY: And one other member I know well. The policy of fixing a retiring age for permanent judicial officers has in different places not only received the support of Governments and members of Parliament, but also that of the legal profession and of eminent individuals whose opinion commanded respect. In Victoria the legal profession is unanimously in favour of amending the Act to enable judges to be retired at the age of 70. Parliament has established the policy in respect of two out of three classes of permanent judicial officers in this State, and any opposition to the extension of that policy to the remaining class is not only illogical, but is definitely inconsistent with the marked trend of modern policy throughout many parts of the British Empire including the Mother Country itself. Members have stressed the fact that many men are at the zenith of their intellectual powers at 70 years of age, but does that entitle us to presume that all judges will retain that physical and mental alertness for many years beyond that age? I do not think it does. I believe that we should make provision to retire them before the decline sets in, not only for the sake of the community, but for their own sakes as well, so that they may be enabled to enjoy some measure of leisure whilst still in full possession of all their

faculties. I hope the House will not reject the Bill.

Question put, and a division taken with the following result:—

Ayes	..	..	..	..	9
Noes	..	..	..	..	12

Majority against 3

AYES.

Hon. L. Craig	Hon. J. M. Macfarlane
Hon. J. M. Drew	Hon. R. G. Moore
Hon. G. Fraser	Hon. I. Moore
Hon. E. H. Gray	Hon. H. Tuckey
Hon. W. H. Kitson	(Teller.)

NOES.

Hon. E. H. Angelo	Hon. H. S. W. Parker
Hon. V. Hamersley	Hon. H. V. Piesse
Hon. J. J. Holmes	Hon. H. Seddon
Hon. W. J. Mann	Hon. C. H. Wittenoom
Hon. G. W. Miles	Hon. H. J. Yelland
Hon. J. Nicholson	Hon. L. B. Bolton
	(Teller.)

Question thus negatived; the Bill defeated.

House adjourned at 9.49 p.m.

Legislative Assembly,

Tuesday, 24th September, 1935.

Ministerial Statement, Aid to wheatgrowers	... 802
Bill: Traffic Act Amendment, 3R.	... 803
Annual Estimates, 1935-36, Com. of Supply	... 803

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

MINISTERIAL STATEMENT—AID TO WHEATGROWERS.

THE MINISTER FOR LANDS (Hon. M. F. Troy—Mt. Magnet) [4.32]: On Thursday, the 12th September, in reply to a question asked by the Leader of the Opposition, I stated that "The Commonwealth Acts provide straightout payments of 3s. per acre, and 9d. per bushel." I find this was an error, and that the statement should have read, "3s. per acre, and 3d. per bushel."

BILL—TRAFFIC ACT AMENDMENT.

Read a third time and transmitted to the Council.

ANNUAL ESTIMATES, 1935-36.

Debate resumed from the 19th September on the Treasurer's financial statement and on the Annual Estimates; Mr. Sleeman in the Chair.

Vote—Legislative Council, £1,742.

HON. N KEENAN (Nedlands) [4.35]: The Estimates before the Committee are the Estimates of the revenue expected to be derived from various sources, representing the income of the Crown, and the Estimates of the expenditure by the Crown for the various services rendered by it. If all the items of expenditure were items which but for the expenditure of loan moneys would be met out of revenue, the Estimates would be of far more compelling interest. There is, however, not even a pretence nowadays, so far as this or any other State Government in Australia is concerned, that this is so. There remains, therefore, very little ground for drawing a distinction between what are revenue estimates and what are loan estimates. It is in fact the case of a common purse which is expected to meet, and to some extent, does meet, all demands. Insofar as that common purse is unable to meet the total expenditure a deficit arises. That deficit has to be attributed to revenue, because one cannot attribute a deficit to loan. By this intertwining one can present any complexion one desires upon the budgetary position. A very apposite example of that was given recently in another place. The Fremantle Harbour Trust collects considerable revenue by way of tolls and charges, and that revenue in the first place is primarily used and intended to be used to defray the expense of conducting the harbour, and secondly to defray the expense of renewals or extension of the harbour. But £80,000 of the money received by the Harbour Trust for charges and tolls was transferred to revenue, thereby reducing the budgetary deficit by the sum of £80,000. Approximately at the same time £70,000 of loan money was transferred to the Harbour Trust to enable it to defray expenses on repairing, maintaining, and carrying on the harbour. Sustenance pure and simple is charged to revenue, but if it is associated with any work of any description it is

charged to loan. It is therefore plain that in truth one can produce whatever budgetary position one wishes to, provided the total expenditure is within the limits of the common purse. To the extent that the total expenditure exceeds the limits of the common purse you have a budgetary deficit. Nor is it this State alone that sins in that regard. In October, 1933, Mr. Norris, the Auditor General of Victoria, reported to the Parliament of that State that the deficit of £841,501 which was shown as the deficit for the year was incorrect, and that if all the expenditure properly attributable to revenue had been included, the true deficit would have been £3,694,057. I have no doubt that if our Auditor General were to address himself to the matter in the same light he would make a somewhat similar report. So, too, in the case of any other Australian Government, with the single exception of the Commonwealth, and that only because the Commonwealth has absorbed to itself and taken so many sources of annual revenue, that it alone is in a position to pay for those works and services that are chargeable to revenue, out of revenue money. No criticism which is based on the items of expenditure appearing in our Estimates, being exhaustive of all expenditure chargeable to revenue, can therefore be entered upon: and as to any criticism of the amount or character of the proposed taxation, it is obvious that only general observations can apply. It is a mere truism to say that whatever moneys are taken out of the pockets of the taxpayers by way of taxation in order to find moneys to defray the expenditure by the Crown, amount in a very large sense to the impoverishment of those sources which otherwise would be available for the exploitation of industry. Hence, since the profits and the earnings of industry must naturally form the principal basis on which our taxation rests, it follows that excessive taxation must lead to a draining of the well from which it receives its source of supply. The rapid increase in the per capita rate of taxation in this State, which has taken place mainly during the last two years, if we have regard to our wealth in comparison to the wealth of other States of Australia, may well cause us to pause, and consider whether we have not reached, if we have not overstepped, the boundary of safety. On the

side of expenditure I do not propose, because I do not think it would be of any advantage, to single out particular items, with the exception of a few to which I will refer later. I wish to clear up a strange and hopelessly wrong version of fact in relation to the institution and the incidence of the Financial Emergency Act, which both the Treasurer and the Minister for Railways have lent themselves to placing before the public. The statement is that the Mitchell Government, the previous Government in power, the impecunious Government as I think the Minister for Railways prefers to call them,—

The Minister for Railways: That is a good term.

Hon. N. KEENAN: It may be a good term for the Government which has received a far greater amount of loan moneys than the Mitchell Government received, and has had £200,000 more by way of Federal grant than the Mitchell Government had, but otherwise it is not a commendable term. The statement to which I refer is that the Mitchell Government of its own volition, of its own choice, and indeed of its own invention, imposed a financial emergency cut upon the emoluments, wages, salaries and pensions, paid by the Crown in this State. It is said that this supposed act of the previous Government, so far as it affected the public servants who come under the Public Service Act, flouted the statutory authority of the Public Service Commissioner, and that as far as it affected the wages of those in the employment of the Crown, flouted the statutory authority of the Arbitration Court. I propose to show there is no substance of truth in those allegations, and that the fact that there is no substance in them is knowledge within the competence of even the casual inquirer. The financial emergency cuts, as they are commonly referred to, ranged from 18 to 22½ per cent. and were made in pursuance of what is commonly but falsely called the Premiers' Plan. That Plan was adopted on the 10th June, 1931, and it was the result of a report of a committee of economists, presided over by Professor Copland. The report of that committee was presented to the Commonwealth Government in May, 1931. The Commonwealth Government at that time was a Labour Government. Mr.

Scullin held the position of Prime Minister and Mr. Theodore that of Treasurer, and those two gentlemen brought before the conference representing the State Governments, which was held in June, 1931, a Plan based upon the report that had been received by them from the committee of economists.

Hon. P. D. Ferguson: Were there not several Labour Governments represented at that conference?

Hon. N. KEENAN: It is of advantage, in view of the interjection, to acquire a knowledge of how that conference was constituted, from a political point of view. It consisted of two representatives of three State Governments in which the Labour Party were in power, and two representatives of each of the other three State Governments in Australia, which were non-Labour Governments. But, of course, above all those representatives were Mr. Scullin and Mr. Theodore, who represented the Federal Labour Government. Therefore, there was a distinct Labour majority present at that conference, and it was at that gathering that Mr. Scullin and Mr. Theodore submitted the Plan that they had adopted. The fact that that conference consisted, as to its major part, of representatives of Labour Governments, does not matter one atom, so far as any State is concerned, because there was no choice for any State. Mr. Lang, who was then the Labour Premier of New South Wales, offered strenuous opposition to the Plan presented to the conference by Mr. Scullin and Mr. Theodore, but even he, with all his force of character and capacity to fight, was brought to heel and forced to accept the Plan. Therefore, he, too, signed the Premiers' Plan. And this, for the simple reason that the only possible source of supply for money required to carry on the work of State Governments was under the sole control of the Commonwealth Government, acting through the Commonwealth Treasury. So there was no choice left to any State Government. They had to accept the Plan or immediately go bankrupt. Therefore, all the Premiers of all the States of Australia accepted and signed the Plan, which thereby secured the utterly false title of "the Premiers' Plan." It was, and is, a Plan forced on the State Governments of Australia by the Federal Labour Party in 1931. What was this Plan that was so forced on all the State Governments of Australia in

that year? It can be found in extenso in the appendix to the Official Year Book of the Commonwealth of Australia, compiled by the Commonwealth Statistician and published in 1932, when Mr. Theodore was Treasurer. I quote from page 847 dealing with the Plan—

The Conference has, therefore, adopted a Plan which combines all possible remedies in such a way that the burden falls as equally as possible on everyone, and no considerable section of the people is left in a privileged position. This sharing of the burden is necessary to make the load more tolerable; it is still more necessary, because only on this condition will it be possible to get the combined effort required. The Plan has been adopted by the conference as a whole, each part of which is accepted on the understanding that all the other parts are equally and simultaneously put into operation.

There was no choice of picking what a Government wished, and of leaving out what they did not want. They had to accept the whole Plan from beginning to end, and undertake to carry it out simultaneously, and put all parts of it into operation simultaneously.

Mr. Moloney: But in this State you put a little extra on to the Plan.

Hon. N. KEENAN: The Commonwealth Year Book proceeds—

It embraces the following measures:—(a) A reduction of 20 per cent. in all adjustable Government expenditure as compared with the year ending 30th June, 1930, including all emoluments, wages, salaries, and pensions paid by the Governments, whether fixed by statute or otherwise, such reduction to be equitably effected.

“Whether fixed by statute or otherwise”? Members will see that nothing was to be sacred. Naturally we know that nothing is more sacred than that which is dealt with by statute, but according to the Plan, whether the emoluments, wages, salaries or pensions were fixed by statute or otherwise, the Plan over-rode even what was enacted by statute.

The Premier: That was not done.

Hon. N. KEENAN: It was done, and was done by every Government, in so far as we are concerned with the point with which I am dealing.

The Premier: The Bill introduced in this House by the then Premier was not in conformity with the Plan at all.

Hon. N. KEENAN: I propose to show that it was.

The Premier: Later on I propose to show you that it was not.

Hon. N. KEENAN: The Premier will have every opportunity to do so, and when he does, I can assure him that I will not interrupt him.

The Premier: Very good!

Hon. N. KEENAN: I will listen to the Premier with pleasure, and I trust I shall not interrupt him. The details of the Plan continue, after providing for a reduction of 20 per cent., in all adjustable Government expenditure, including all emoluments, wages, salaries and pensions paid by the Governments—

Mr. Moloney: What about Parliamentary employees?

Hon. N. KEENAN: The Plan proceeds—

(b) Conversion of the internal debts of the Governments on the basis of a 22½ per cent. reduction of interest;

(c) The securing of additional revenue by taxation, both Commonwealth and State;

(d) A reduction of bank and savings bank rates of interest on deposits and advances;

(e) Relief in respect of private mortgages.

There was, therefore, a general scaling down of charges all round. Then on page 850 of the same issue of the Commonwealth Year Book, under the heading of “Conclusion”—the portion of the publication that I am omitting deals almost entirely with the estimated reduction in expenditure to indicate how far they could secure a certain amount of balancing of Budgets, which matter has therefore no bearing on the point I am dealing with—there is the following:—

The Plan agreed upon is an indivisible whole and the carrying out of any one part is dependent upon the carrying out of all parts.

I have already drawn the attention of the Committee to the fact that it was not within the power of any Government to accept one part and leave aside another or, indeed, to leave out any single part of the Plan. The Governments had to accept the whole Plan.

Mr. Moloney: But this State augmented the Plan somewhat.

Hon. N. KEENAN: The Plan had to be accepted as a whole.

The Premier: But your Government went beyond that.

Hon. N. KEENAN: The Premier knows perfectly well I am dealing with one point regarding this financial emergency legislation, as it affected the wages and salaries of public servants.

The Premier: The Plan outlined in the Commonwealth Year Book is not the Plan

that was introduced in the legislation submitted in this House.

Hon. N. KEENAN: If it is possible, I would like the Premier's assistance to enable me to make myself clear. I am dealing with the legislation that affected the financial emergency cuts in the salaries of public servants.

Mr. Moloney: What about the private employees? You have nothing to say about that aspect.

The CHAIRMAN: Order!

Hon. N. KEENAN: We are not dealing with that phase at the moment.

Mr. Moloney: It does not suit you.

Hon. N. KEENAN: At the moment, I am dealing with so much of this legislation as referred to the financial emergency cuts in the wages or salaries of public servants. We know that wages and salaries are identical; the latter is merely a flattering term, because each represents payment for service rendered. If I may proceed with the reading of this report, I would inform members that it continues—

It involves sacrifices by every member of the community, and the Conference appeals to all sections of the people to recognise the position, and to accept these sacrifices as a national duty.

To the bondholder, the Plan involves a reduction of interest by 22½ per cent., but it safeguards the capital of the investor.

To the Government employee, the Plan involves a reduction which, with reductions already effected, represents an average of 20 per cent., but it makes his position, and future emoluments, much more secure.

It will be seen that that deals with the position of public servants, whether they receive salaries or wages. That was the Plan brought down by Mr. Scullin and Mr. Theodore that, by force of circumstances, it was utterly impossible to avoid, so that the Premiers of all the States were obliged to accept it. The State Governments undertook to carry out that Plan in every part and to do so simultaneously. There was no choice whatever left to any State Government. They had to go back to their State Parliaments and pass legislation to give effect to the Plan they had accepted and signed. Every Government in Australia did so. Every Government in Australia provided for a reduction in the emoluments, wages, salaries and pensions paid by the Crown to their servants, whether such payments were fixed by statute or otherwise, to the extent of an average of 20 per cent. of the whole of the

mass of income so affected. The Premier said recently, when introducing the Budget, that this action by the Mitchell Government, which, as I have pointed out, they had no possible choice to avoid—it was done under coercion by the Federal authorities—

The Premier: That is not correct.

Hon. N. KEENAN: I have already told the Committee it was the only possible way by which money could be procured, namely, through the Federal Treasury, and the Federal Government control the Commonwealth Treasury. Now the Premier has told us that that action was an iniquity and an injustice.

The Premier: Yes.

Hon. N. KEENAN: Let me remind the Premier that it has taken him 4½ years to discover this iniquity and injustice.

The Premier: That is absolutely incorrect. I have voiced that opinion ever since the legislation was introduced.

Hon. N. KEENAN: As I say, it has taken 4½ years for the Premier to arrive at that decision, but the matter does not end there. Members of the Committee will remember that about two years ago, during the Address-in-reply debate, I taunted the Premier with having made a promise on the hustings that, if returned to power, he would abolish the financial emergency cuts on the wages and salaries of public servants.

The Premier: I am just doing that.

Hon. N. KEENAN: What happened then, when I taunted the Premier with that fact? He indignantly denied it and said it was outrageous.

The Premier: No.

Hon. N. KEENAN: Surely the Premier does not want me to refer to "Hansard."

The Premier: Yes.

Hon. N. KEENAN: I have not "Hansard" with me, but I did not think the Premier would dare to adopt that attitude.

The Premier: The facts are there. I did not say I would abolish them straight away, but within the life of this Parliament.

Hon. N. KEENAN: That is not correct.

The Premier: I say it is correct.

Hon. N. KEENAN: The denial was not of that character. It was a flat denial that he had made the promise.

The Premier: The denial is not there.

Hon. N. KEENAN: It was denied with indignation by the Premier at the time.

The CHAIRMAN: Order!

Hon. N. KEENAN: If it was an injustice, an iniquity, to make that reduction, why the indignation and the denial of the promise? But of course there was no talk then of injustice. There was only a flat denial of having made the promise.

The Premier: There was. I quoted what I said.

Hon. N. KEENAN: Then in 1934, in this House, I referred to a grave state of discontent in our Public Service arising from the comparative treatment of our Public Service and the comparative treatment of the Commonwealth Public Service by the Commonwealth Government which, at that time, had restored a portion of the deductions under the Financial Emergency Act—

The Premier: So had we.

Hon. N. KEENAN: What was the attitude of the Premier? In all the broad pages of "Hansard" there is not to be found a single word then uttered by him in sympathy with the complaints of our public servants.

The Premier: Nonsense!

Hon. N. KEENAN: And it does not even end there, this extraordinary accumulation of facts all pointing in the same direction. Since the advent to power of the present Government they have brought down three measures amending the Financial Emergency Acts. One of those three measures lapsed, but the other two went on the statute-book. And those three measures, in every instance, re-enacted the principle of Section 7 of the Act of 1931, the section which imposed a reduction of an average of 20 per cent. on the salaries of servants of the Crown in this State.

The Premier: But with a lesser reduction. Try to be fair.

Hon. N. KEENAN: In due course I will refer to something in the nature of a reduction, but I do not think it will be anything to console the Premier. Every one of those Acts repeated what was the iniquity, the injustice, to be found in Section 7 of the Act of 1931.

The Premier: But with a lesser reduction. Cannot you be fair for once?

Hon. N. KEENAN: When I have opportunity to deal with what reduction was made, I will deal with it fully. But let me read the language of the Act of 1934, and then let me recall Section 7 of the

Act of 1931, the section which proposed this cut of 20 per cent. in the salaries of public servants in this State.

Mr. Moloney: Did you oppose it?

Mr. Raphael: No, he rattled on his party over it.

Hon. N. KEENAN: Section 6 of this Act, No. 1 of 1934, begins as follows, and if members will remember the language of Section 7, they will see that the two are identical:—

Notwithstanding anything contained in any Act, regulation or by-law or any State industrial award, or State industrial agreement or in any other award, determination or agreement, to the contrary, but subject as in this section and this Act hereinafter provided, the rate of salary payable to every officer shall be reduced to a rate which will be either eighteen per cent., twenty per cent., or twenty-two and a half per cent., as the case may be, in accordance with the scale set forth in Part I. of the Schedule to this Act

And the schedule of the Act is identical with the schedule of the original Act. It provides that the reduction shall be 18 per cent. in salaries not exceeding £250, 20 per cent. in salaries exceeding £250 but not exceeding £1,000, and 22½ per cent. in salaries exceeding £1,000.

The Premier: Surely you are not asserting that there was no reduction made last year?

Hon. N. KEENAN: I am dealing with the Act of 1934, brought down by this Government, taking away by statute a portion of the percentage of salaries, wages and emoluments received by the public servants of this State.

Mr. Raphael: Why didn't you save all this till the next elections?

Hon. N. KEENAN: If we are dealing with the principle of the matter, dealing with the allegation that you take away by statute from a public servant any part of the remuneration he is entitled to receive, to usurp the powers of the Public Service Commissioner, as the Premier put it,—if that is to be described as an injustice and an iniquity, what about that statute I have read?

The Premier: You have not quoted the whole of the statute.

Hon. N. KEENAN: The Premier can quote what he likes. There is the iniquity, the injustice, repeated, the power to take away—with, I admit, some reservations on the smaller salaries, but only

reservations dealing with basic wage alterations: the principle, the injustice, the iniquity—as the Premier calls it—remains absolutely, beyond any question of doubt, identically the same. And so what are we to think of the present attitude and the present assertion of the Premier, and what will the public servants think when they realise the history of events, when they realise—

The Premier: You cannot square yourself with them at this late hour.

Hon. N. KEENAN: —when they realise that this extraordinary repentance has taken place 4½ years after the Federal Labour Government forced this Plan on the States.

The Premier: They did not force it on the States.

Hon. N. KEENAN: Do you think they will believe there is anything genuine about an offer of this kind, made on the eve of a general election?

Mr. Moloney: It is a death-bed repentance on your part.

Hon. N. KEENAN: I do not suppose any member of the House thinks he is too far off his death-bed. Perhaps even the hon. member himself, in his saner moments, might have some such thought. Now I want to deal with another aspect of the relief to be given by the lapsing of the Financial Emergency Act to those in this State in receipt of emoluments from the Crown. I want to state the facts exactly as they are up to the present. Relief has been given to those in receipt of salaries up to £500, and to those in receipt of salaries over £500 to the same extent in respect of the first £500 of their salaries only on the principle of the basic wage variations. But that does not alter the fact of the principle of retaining the power which was exercised in the Act of 1931 and right up to to-day, the power to remove by statute a certain portion of the emoluments to which public servants were entitled by contract with the Crown. The fact that some have received slight relief does not in any sense qualify or remove the iniquity of that Act—if there be iniquity. The result of the variation I have just dealt with was the restoration to the public servant on the salary line of £500 of approximately £58 per annum. The position therefore, as the result of the lapsing of the Financial Emergency Act at the end of this year, when the reduction has been cut out, will be as follows:—As pointed out by the Treasurer,

there will still exist the 6 per cent. classification reduction. The Financial Emergency Act took off 20 per cent. in the first instance. That is £100. So the public servant on a salary of £500 was reduced to £400. The Act of 1934 added £58, which was restored to him. When the provision that applied to the men over the £500 line was made, the variations of the basic wage furnished the only way to apply it. So the position is that, with the £42 remaining, he is now in receipt of £458. And of the £42 remaining, £30 represents the 6 per cent. classification reduction and £12 the non-renewal of the Financial Emergency Act. That £12 is exactly the amount, the full amount, which a public servant on a salary of £500 will receive by the lapsing at the end of this year of the Financial Emergency Act.

The Premier: The 6 per cent. has nothing to do with the Government; it is not under the control of the Government.

Hon. N. KEENAN: But it was.

The Premier: It was not.

Hon. N. KEENAN: But surely the hon. member has some intelligence! I am not alleging that the Government are responsible. I am merely examining what the position will be as the result of this statute not being renewed. That position will be a gain of £12 to the public servant on a salary of £500.

The Minister for Justice: That is after the £58.

Hon. N. KEENAN: But his position of to-day will be altered only to the extent of £12. The gain will be more substantial, strange to say, in lower salaries. One would have thought that it would gradually rise, but for some reason it is not so. It is somewhat higher in the lower salaries. But of course the great gain will be in the higher salaries, and particularly the salaries at the top of the list. It is there the gain will be found to be most marked.

Mr. Withers: They lost the most.

Hon. N. KEENAN: Take the case of a recipient of an emolument of £1,800.

The Premier: Who is getting that?

Hon. N. KEENAN: For instance, the Premier himself.

The Premier: But it does not affect the Premier, so far. That requires another Act.

Hon. N. KEENAN: But it is intended.

The Premier: You do not know that.

Hon. N. KEENAN: It is common knowledge.

The Premier: It is not common knowledge; it is your common guessing.

Hon. N. KEENAN: Is there no increase shown on the Estimates?

The Premier: It is provided under special Acts, and therefore is not included in the Estimates. You ought to know that.

Hon. N. KEENAN: Then will the Premier state how far it is intended that this should not apply to ministerial salaries?

The Premier: Yes, I will—at the right time.

Hon. N. KEENAN: Let us take the recipient of a salary of £1,800.

The Premier: Who is getting that?

Hon. N. KEENAN: The chairman of the Agricultural Bank Commissioners did not suffer a deduction of one penny.

The Premier: You are wrong, he was treated the same as every other member of the service.

Hon. N. KEENAN: The Act did not apply to him.

The Premier: But it was made to apply in fixing the appointment.

Hon. N. KEENAN: Let me take, for the purpose of illustrating my argument of the high measure of relief that the higher salaries will enjoy, the salary of £1,800.

The Premier: Who is the man getting £1,800?

Hon. N. KEENAN: I could take the Chief Justice; in fact all the judges are on approximately £1,800. What does the Engineer-in-Chief get?

The Premier: Nothing near that amount.

Mr. Moloney: You had better look up the case.

Hon. N. KEENAN: Let the Premier take any salary he likes. I suggested the amount of £1,800 because it was easy.

The Premier: You took it because the figures appeared large.

Hon. N. KEENAN: Let us take £1,600.

The Premier: Take the head of a department receiving £1,000 a year.

Hon. N. KEENAN: Take members on the Ministerial bench, if they are going to benefit from this advantage. What will be their position? The reduction for any salary in excess of £1,000 a year was 22½ per cent., and of the reduction made in the case of such high salaries, a sum equi-

valent to £58 a year has been restored by past legislation in respect of the first £500 of those salaries.

The Premier: That was by the Act of last year.

Hon. N. KEENAN: By past legislation.

The Premier: The Act of last year.

Hon. N. KEENAN: Well, that is past. On the first £500 of every salary in excess of £500, a sum of £58 has been restored.

The Premier: But you denied that any alteration had been made last year.

Hon. N. KEENAN: The Premier has not done me the honour to listen to my remarks.

The Premier: I have exercised great patience in listening to you.

Hon. N. KEENAN: I have explained that up to £500 it was arranged by legislation that the variation was to be based on the basic wage variation, and that amounted to approximately £58. That sum was received by those public servants in receipt of salaries over £500 in respect to the first £500. Now, by the lapse of the statute at the end of this year, they will receive the balance of the 22½ per cent. deduction. If it is worked out on any large salary, it will be seen that the amount to be restored will be the colossal sum of between £300 and £400. If it applied to the salary of the Premier, it would involve £347. It may very well be that the public servant, who is inclined to be grateful for what is done for him, may choose that as an example and say that while he, on a salary of £500, which is very much above the average salary paid to a public servant, is to receive only £12 a year, there are others who will gain as much as thirty times that amount, and therefore it may well be that his gratitude will be considerably tempered by that knowledge.

The Premier: Your pleading for them will not have any effect: they can work it out.

Hon. N. KEENAN: There remains a far higher and far more important consideration than anything I have yet dealt with. The financial emergency measures were intended to, and did in fact, bring about a scaling down all round. I read to members the language which is written in the Premiers' Plan, and which emphasised that it was to be a general sacrifice, a scal-

ing down all round. Those who were in receipt of moneys payable on public loans, those who were in receipt of interest payable on mortgages, and those who were in receipt of rentals arising from leases of real estate or even from mere tenancies—all of those in a larger or smaller degree found their positions altered and their receipts affected by the financial emergency legislation. That, of course, was absolutely necessary in the emergency which was then facing the States of Australia. There was no other course open to us; that course had to be taken. The result was to bring about grave hardships in many cases, and that again was inevitable. We could not deal with the hardships arising in any other manner that would be practicable, having regard to the enormous number dealt with by this form of legislation. So it is that I personally know—and I venture to say that every member of this Chamber knows—of many cases where the reduction in income imposed by the financial emergency measures brought about the very greatest hardship. Widows—

The Premier: And orphans.

Hon. N. KEENAN: If the Premier will allow me to continue, I will deal with orphans also.

The Premier: Do not leave them out.

Hon. N. KEENAN: Widows whose deceased husbands had left them a competence, not a large amount but sufficient to enable them to keep themselves and their young families, found themselves, by reason of the incidence of the financial emergency measures, reduced to absolute poverty. Let me further say that my personal knowledge extends very largely to the cases of old gold-fields people who came down to Perth and made some investments, and the lessening of the income from those investments, being affected by the financial emergency measures, has caused families to be reduced to penury. Incomes derived from mortgages, incomes derived from rentals and from other means affected by this legislation have shrunk to a condition wholly insufficient for the maintenance of the recipients.

The Premier: Why were they included in the measure introduced by your Government? Why did not you exempt them?

Mr. Moloney: He did not oppose that legislation, either.

Hon. N. KEENAN: It is difficult to say who is talking the greater nonsense, the Premier or the member

for Subiaco. For the reason that the financial emergency measures produced extreme hardship for many individuals in the community, I have always advocated that when a more favourable financial position was arrived at, and when it was possible to ease some of the burdens imposed by the financial emergency measures, there should be appointed a committee to investigate and devise a plan under which the relief would be distributed on some equitable basis. I have voiced that opinion more than once in this Chamber and elsewhere, and it is apparent to anyone who gives consideration to the matter that this is the only just course possible for us to follow. I was about to say that there is no one in this Chamber, or outside of it, who does not rejoice to see the salaries of the moderately-paid civil servants restored to them in full.

The Premier: You seem to be most angry about it.

Hon. N. KEENAN: While no one exists who does not rejoice to see that the salaries of the moderately-paid civil servants, are being restored in full, who can justify the restoration of large salaries, with large margins—margins running into many hundreds, when they know there are many people in the community to whom only a fraction of that relief would mean to them all that they want in life? There is no justification for pursuing a policy of that kind. There is no good in camouflaging it, hoping that it will pass notice if camouflaged. It is not finally with what the Budget policy proposes to do as with what it entirely ignores that I find most fault.

The Premier: But you have been for an hour finding fault in telling us what it proposes to do.

Hon. N. KEENAN: If I attempted to give full criticism to the proposals, it would take far more than an hour, but as I am bound by some rule of time, as well as by the fact that I am not prepared to make a continued effort, I will turn to what the Budget policy entirely ignores. What is the most acute problem that faces us in these days? Surely it is the blank outlook before our youth. The outlook before our young men and young women is entirely blank.

The Premier: There is a blank political outlook before some of you, too.

Hon. N. KEENAN: Who is there occupying the position of a parent of

any boy or girl approaching adolescence who is not gravely perturbed at the difficulty, the almost insurmountable difficulty, of finding him or her any possible means of earning a livelihood? I venture to say that in almost every house in the land this dread and disturbing feature occurs.

Mr. Cross: That applies in every country of the world.

Hon. N. KEENAN: Is it not plain that this problem must be faced and some solution of it found, unless we are content to allow the rising generation to be left entirely without hope?

The Premier: That difficulty is 75 per cent. less to-day than it was when you were a member of the Government.

Hon. N. KEENAN: There is not a single iota of change.

The Premier: Is there not?

Hon. N. KEENAN: There is not one young man approaching adolescence who finds himself in a better position than was the common lot in 1929, not one.

The Premier: Oh, oh!

Hon. N. KEENAN: Let the Premier ask any of his friends who are fathers of families whether that is not so.

The Premier: All the figures are against you.

Hon. N. KEENAN: I was dealing with the fact that we are imperilling in the highest sense the future of the rising generation. The harm done to the moral nature of young men who are condemned to be kept in enforced idleness cannot possibly be estimated, and yet that is what is happening to-day. It is happening every hour of the day.

Mr. Moloney: What have you done to improve it?

The Premier: Your Government sacked 500 of them from the Railway Department. You cannot get away with that yarn.

Hon. N. KEENAN: That is happening every hour of the day, and not the slightest reference is made to it and not the slightest notice is taken of it by the benevolent Government. Let it be admitted, because I wish to present the case on fair and equitable lines—

The Premier: Did you say fair?

Hon. N. KEENAN: Let it be admitted that, to deal with this problem, requires action beyond the boundaries of this State.

Mr. Raphael: Are you reckoning on secession?

Hon. N. KEENAN: Let it be admitted that only on some broad basis, at least Australia-wide, can any solution of the problem be found.

Mr. Raphael interjected.

The CHAIRMAN: Order! I ask the member for Victoria Park to keep order.

Hon. N. KEENAN: It is obvious that any attempt made by an individual State would be abortive, inasmuch as there exists free intercourse between the States, and if we were in any way successful in coping with the problem, our position would be rendered impossible by the arrival of immigrants from the other States. Therefore I submit that this is an Australia-wide problem. But that is no excuse for doing nothing.

The Premier: Doing nothing!

Hon. N. KEENAN: It is no excuse in the world for idly standing by and allowing this peril to grow to greater and greater dimensions daily.

The Premier: You sacked hundreds for whom we found work. You cannot get away with rubbish of that kind.

Hon. N. KEENAN: Interstate conventions are being arranged for all kinds of things, trivial and non-trivial. What is there to prevent the calling of an interstate convention to deal with this all-important difficulty? What is there to prevent such a convention, if called together, advising an alteration in our industrial conditions and our industrial life which would be accepted throughout Australia, and which would at any rate present some prospect of solving the difficulty?

The Premier: If you had made that suggestion to your National Government—

Hon. N. KEENAN: What is there to prevent it? Nothing but mere lassitude. Nowadays, apparently, there is nothing more than this cry, "God help us while we are here, and let the Devil take the hindmost! As long as the Treasurer can find money to carry on as the Government are carrying on to-day, let the Devil take the rest!" There is no attempt at constructive statesmanship. There is no attempt at facing the real problems which are at the base of our troubles. There is no attempt to act in the manner that the requirements of the nation demand.

The Premier: Did you see the Federal Budget this morning?

Hon. N. KEENAN: The important part of that Budget, from the Premier's point of view, is that he is getting £200,000 more to help him through.

The Premier: It is £100,000. You do not even understand the figures.

Hon. N. KEENAN: If it had not been for the special grant, we would have been £200,000 down. Last year the Premier got £100,000 by way of special grant. If this £200,000 had not been given, the Premier would have been £200,000 down, because last year he had a special grant of £100,000. The Premier wishes to pretend that he would have got that amount this year, but of course he would not have got it. However, I do not wish to worry the Premier by asking him to remember what he must remember. My desire is to emphasise that it is utterly hopeless to go on as we are going, to leave these problems unsolved, to leave them without even an attempt at solution. It is for that reason I deplore the present Budget policy.

The Premier: You ran away from the problem when you were in the Government. You never faced it. You cleared out.

Mr. Cross: The hon. gentleman deserted the ship.

MISS HOLMAN (Forrest) [5.34]: It is really surprising that the Committee should be treated to such an exhibition of jealousy and pique as we have just had from the Leader of the National Party.

The Premier: Pure jealousy.

Miss HOLMAN: It seems to me that the hon. gentleman is greatly annoyed that the present Government should have justified their promises to the electors to amend drastically the financial emergency legislation, so annoyed that he could not even speak the whole truth. He tried to speak little bits of it, and also tried to misrepresent the position, so that his assertions would appear in "Hansard," probably to be used during the next election campaign as ammunition against the Government. I feel sure, however, that every reasonable-minded person will give the present Government the praise and the credit they deserve. The Budget before us is really a great piece of work, and a monument to the Government who have held office during the past few years. The present standard has been gradually built up during the three sessions of this

Parliament; and I feel sure this will be realised by the electors of Western Australia, and not least by those electors, the public servants, for whom the Leader of the National Party has expressed such deep sympathy. That sympathy will be recognised as coming a little late. During the four and a half years which the hon. gentleman has mentioned, he might have shown some of that sympathy. That would have been more to the point than the destructive criticism he seeks to hurl at the Government now in office. The work that has been done by the Labour Government in connection with unemployment and the abolition of the financial emergency legislation is enormous, and has justified their election to office, and will justify the granting of a further term of office next year. We have only to look back a few years to see gentlemen now on the other side of the Chamber forcing taxation on single men in receipt of £1 1s. per week. When the Labour Party, then in Opposition, sought to raise the exemption to £2 per week for single men, we were badly defeated. As it happened, we did accidentally get that particular clause of the Bill rejected: but the clause was re-committed, and in place of £1, which could not be reinserted, the amount was fixed at £1 1s. Again, married people were taxed on incomes of £2 a week. If the present Government had done nothing else, they should receive full credit for the alteration of the financial emergency taxation. In fact, one can always see a Labour Government pursuing a bold policy to alleviate unemployment, and one can always see the reverse in the case of Governments drawn from the ranks of the Opposition in this State and in any other State. Such Governments always feel that reduction of wages and lengthening of hours is the best way to improve matters. On the other hand, Labour Governments always endeavour to do the best they possibly can for all sections of the community—farmers, workers, and all other persons who have an interest in the State. And so a Parliament having a Labour Government in power always ends with conditions better than when other parties have been in office. Let me quote, as an instance, the timber industry and the improvement it has experienced during the past two and a half years. In the beginning of 1930 things were not so very bad in the timber industry, but by the end of 1933 it was in a bad way indeed. When

the Labour Government took office, in 1933, few mills were working in the South-West. Practically the only mills working then were the State Sawmills, and they were working on part time. Now almost every mill in the South-West is working again. Timber exports are going up. I should like to quote a few figures showing exactly the improvement that has been effected. In 1931-32 our timber exports were valued at £357,953, in 1932-33 at £258,510, in 1933-34 at £484,241, and in 1934-35 at £631,228. The same improvement is shown in railway earnings derived from local timber. The percentage of tonnage of local timber to total tonnage carried was 6.86 in 1930-31, 6.39 in 1931-32, 6.35 in 1932-33, 10.39 in 1933-34, and 12.17 in 1934-35. The corresponding earnings from local timber in the years I have quoted amounted to the following percentages—7.10, 6.39, 7.25, 10.70, 12.56. Railway revenue for 1934-35 was £78,000 more than the revenue for 1933-34, and £140,600 more than the revenue for 1932-33. Hon. members are aware that during the past few days the report and balance sheet of the State Sawmills have been laid on the Table; and they will, I am sure, join me in congratulating that undertaking on the fine results disclosed. The State Sawmills work on a 44-hour week; their employees have long service leave. Although the employees of private sawmills do not enjoy these privileges, yet the State Sawmills made a profit during the past year. The turnover for the past year was 24.7 per cent. greater than that for 1933-34. The net profit for the past year was £27,683; the output of sawn timber was 39,815 loads, of which 24,249 were jarrah. It is also to be mentioned that a heavy apple crop was responsible for an increased demand for fruit cases. The statements supplied in connection with the Budget show that the estimated receipts for the current year are considerably greater than those for the year just closed. I have mentioned that in connection with unemployment the present Government have a fine record. Just recently I had an opportunity of comparing the work of the Western Australian Labour Government with the work of Governments in other States in this respect. The most striking contrast is with South Australia, our next-door neighbour. While South Australia was in a very bad condition indeed, the members of the South Australian Ministry were boasting that they were not expending money on public works as other Govern-

ments were. They were boasting that they would have a surplus for the year. The fact is, however, that the surplus in question was being procured at the expense of people on sustenance and relief work in South Australia. The position will be brought home to hon. members if I quote what, two months ago, a married man and a child up to 14 years of age were being allowed in the neighbouring State. The ration allowance for married men was 4s. 10d. worth of groceries per fortnight, six loaves of bread, seven pounds of meat, two cwt. of wood and a whole shilling for fruit and vegetables per fortnight. The allowance for a child was exactly half that amount, without any wood, and 6d. only for fruit and vegetables or fresh milk per fortnight. It is apparent to even those with limited intelligence that what the Government in our State are doing for the unemployed is the proper and right thing. The Leader of the Opposition waxed wrath about what he called the absolute neglect of the Government in connection with the employment of youth.

Hon. C. G. Latham: You mean the Leader of the National Party?

The Premier: The irresponsible Leader of the National Party!

Miss HOLMAN: I meant the one who made the most noise.

The Premier: And the most misrepresentation.

Miss HOLMAN: I should like to draw attention to what the Government have actually done for the employment of youth. For instance, they have employed quite a number on the railways; they have called for apprentices, and staffed the railways where previously they were unstaffed. They have also given a considerable sum to the appeal for youth and motherhood funds and increased the education vote in the hope of keeping children at school. They have also reopened the Training College to train the youth for positions as teachers, and in many other directions have helped considerably. I should like to suggest that it is entirely owing to the political friends of the Leader of the National Party that girls, for instance, are not so anxious to engage in domestic work. If domestic work were raised to the dignity of a profession, if it were controlled and the hours were shortened, and if it were made compulsory to pay a decent wage and allow a certain amount of freedom, and generally to put the work on a basis or standing akin to other

professions in which girls engage, there would be more of our girls willing to do that kind of work. I remind the Leader of the National Party also that it is not so many years since his friends in the Legislative Council fought and defeated a Bill the object of which was to raise the status of domestics in this State. I would ask him to look to the error of his ways and try to help the present Government with the work they are doing for the youth and people of the State and not to indulge in so much misrepresentation.

The Premier: He is too old to reform; he is beyond redemption.

Miss HOLMAN: I think he might have given the Government some little credit; he might not have gone to the length that he did in quoting the financial emergency legislation, that is to say, quoting only a certain section and leaving out the rest, and so making it appear that the Government have done nothing whatever for the members of the Civil Service until the present session. The Government have in reality created a record for themselves. They have actually been foremost in Australia in connection with the restoration of emergency cuts. With regard to education I note that the Budget shows an increased expenditure of £52,297. I am very glad to see that. I am also delighted to know that the country schools are being renovated and painted. The Government realise, when doing that work, that in addition to giving employment by renovating the schools, they are also protecting the assets of the State. I feel sure, further, that the present Minister for Education will admit the beneficial effect on children, of beautifully painted walls and ceilings of the schools.

Hon. C. G. Latham: They will be cleaner, anyway.

Miss HOLMAN: Yes; a more cheerful psychology will be created and the children will try to live up to it. Country school children have not the same opportunities as have the children attending metropolitan schools. We have examples of children attempting to pass the University examinations in the country. In small schools the teachers do occasionally spend their spare time trying to give those children extra training, but unfortunately the

same opportunities do not exist, and consequently the pupils cannot make much headway. There is always something more we could do. There are some pinpricks in the country we could well be rid of and one is the type of desk that is sometimes provided for children in the country schools. I visited a school only the other day and found small and big children alike seated before precisely the same style of desk on forms without backs. There were girls and boys of 13 and 14 years of age and of different physique, and all seemingly round-shouldered due, I have no doubt, to the type of desk at which they were forced to write. The Government would be well repaid in the improved health of the community if they were to scrap all those desks and substitute say, for instance, the Armstrong desk which I understand is very good. Of course, I am not an expert in a matter of that kind, but something must be done. The children of the State have the opportunity of attending schools to a much higher age than 14; it is not compulsory for them to leave at 14, but I should like to see the Government raise the school age throughout the State, and endeavour to make a payment from the Child Welfare Department for children over 14.

Hon. C. G. Latham: It will be necessary to increase the accommodation first.

Miss HOLMAN: If the accommodation has to be increased, that can be done: it is not impossible.

Hon. C. G. Latham: It certainly is not impossible; it ought to be done.

The Premier: It is a matter of money.

Miss HOLMAN: We could improve our schools gradually with a view to increasing the school age and helping the parents keep their children at school. I should like also to ask the Premier, when he attends the next meeting of the Loan Council, to broach the subject of the Commonwealth film supply for schools. We realise that the schools would have to provide their own machines for projecting the films, but such work as supplying the films for the schools could not be undertaken by any one State. The Commonwealth Developmental Film Bureau could be extended to provide educational films for the children, and these would lead to a taste for that form of instruction and perhaps it would prevent the harm that is created

at the present time by the rubbish children sometimes see. We occasionally read in the papers that children who appear before the court have imbibed a grand idea from a film that was displayed to them. If interesting and educational films were shown in schools, children would develop better taste for superior films. There is another matter to which I wish to refer and it is what appears to me to be a backward step, the result of the recent Arbitration Court Award in the case of the nurses and probationers whose hours have been fixed at 48 and 56. I agree with the workers' representative on the Court that this is a very bad step, especially as the world is endeavouring to find out how to shorten the hours of work in the various professions. Here we have in our day an award for nurses, fixing their hours at 56 per week.

Hon. P. D. Ferguson: They get a lot of time off in between.

Miss HOLMAN: They do not get too much time off. Everyone will agree that nurses and probationers work very hard indeed.

The Premier: The hours are an improvement on the old conditions.

Miss HOLMAN: Perhaps so, but it is not a big enough improvement. Then there is the further attack on the status of women in the present re-classification of women in the Civil Service. For many years there have been arguments in various quarters about women taking men's jobs. I consider that the Australian Labour Party have the right idea when they say that that can only be rectified and adjusted by giving equal pay for equal work and then the whole affair will stand on its merits. If the woman is employed, she should get equal pay with a man for equal work. I do not like to see a reduction in payment, but I regret that in almost every instance the women in the Civil Service will suffer a reduction as a result of the re-classification which has been published. The women on the higher classification will be subject to a reduction of £10 per annum. The salaries of some of the men have been increased and some have been reduced. I do not believe in a reduction in any circumstances. There are other matters which apply to my electorate I should like to mention, one being the subject of the water supply for Brunswick Junction which has been required for many years and is

still lacking. Brunswick Junction has been given an irrigation supply from the Wellington dam. That has effected a great improvement in the district, and will lead to many changes later on, such as closer settlement and more intense cultivation. As is the case in other parts, the farmers and workers generally in my electorate have had a hard time. Farmers always have a hard time, and the hard times are still with them. There is one way in which to assist dairy farmers to a small extent, and that is by giving a necessary free milk supply to school children. I would quote from a report of the Metropolitan Milk Council of Melbourne concerning a scheme for the distribution of milk in schools and institutions. The council was established in 1932. An arrangement was then made whereby milk was sold at 10d. a gallon, delivered in bulk at the schools. On arrival, the milk, with the co-operation of the mothers' clubs and teaching staff, was heated, and in some cases was converted into cocoa milk and distributed to the children during the morning recess. The funds raised were subsidised by the council on a fifty-fifty basis, but kindergartens were supplied free. The total number of schools supplied was 35 in that year, and the highest quantity of milk delivered on any day was 250 gallons. The total quantity supplied for the year was 9,441 gallons. In 1933, there was considerable expansion in the council's activities. So impressed were the Government with the fine work and results obtained that a grant of £2,500 was made to provide for the necessitous cases within the State and registered Roman Catholic schools. In addition to this fund, over £1,000 was subscribed by the public, and the council was thus able to give full effect to its policy of providing for children attending other institutions.

Hon. P. D. Ferguson: That is a voluntary organisation.

Miss HOLMAN: Yes. The second year it was subsidised to the extent of £2,500 by the State Government.

Hon. P. D. Ferguson: It had no statutory authority.

Miss HOLMAN: No. There are other cases also where milk is supplied free. In a recent issue of the "Sunday Times" there was an account dealing with the supply of milk to schools in Great Britain. It stated that over 2,000,000 gallons of milk

were being supplied every week to school children under the cheap milk scheme initiated by the British Government. The 1933 report of the Victorian council continues—

The number of children provided for daily was approximately 18,000, based on 20 to the gallon, though the more satisfactory basis is a half pint per child. Where records of weight improvement were kept, the average gain was 1½ lbs. per month, with exceptional cases of up to 4 lbs. in the same period. This improvement was maintained throughout the period of distribution. A more noticeable feature that generally applied and was most marked, was the improvement in vitality and mental alertness of the children. The cost of administration for 1933 was less than 1½ per cent.

Many children in our schools would be the better for the provision of a certain amount of milk each day. As we know, and medical authorities have stated, milk is a complete food, and contains in the proper proportions every essential necessary for a meal. I should like the Government to consider the plan that has been suggested by the Whole Milk Board. I do not say it is the best possible plan, but it is deserving of every consideration. If we could arrange for the children who need milk to get it—and every child needs milk—it would be very much better for them as well as for the community, and would provide another means whereby the products of our dairy farmers were brought into consumption. I now come to my last subject, namely the sleeper-hewers of the South-West. The sleeper-hewers have been a sort of chopping block for many years, and have been the cause of heart-burning at different times, heart-burning on my own part as well as on the part of other people, particularly on the part of the cutters themselves. These men constitute a very fine body. They are amongst the pick of the South-West. They have always worked very hard, and have always been justly entitled to whatever they could get. They have been entitled to more than they have been earning in recent years. The depression, unfortunately, hit them very hard. Sleeper-cutters were put on to sustenance work, and were allowed to cut just so many sleepers to keep them alive. That was an act of grace on the part of the Government of the day. I do not think the Forests Department likes sleeper-cutters. I am sure of it. During the past 17 or 18 years all the administration has tended to getting rid of sleeper-cutters. I maintain, and practical men in the timber industry maintain, that the sleeper-cutters should

rightly follow the mills. They should go through the bush that has been worked by the mills, and would be able to make the best use of timber that is damaged, knocked down, or left behind. Sleeper-cutters are becoming fewer in number. That applies particularly to registered sleeper-cutters, because there have been no registrations since 1918. Last year the Minister for Forests, in a letter, stated that there were plans for a maximum of 300 sleeper-cutters for the next five years. He said that the jarrah forests working plan provided for hewing in State forests for a maximum of 300 men for the ensuing five years. The timber that was being made available for that purpose was taken largely from the sawmilling reserves. The Minister pointed out that cutting for that number of men could not be maintained for a long period, and that the number of men holding sleeper-hewers' registration was 345, of whom 296 were cutting then. This letter was written early last year. The position of a certain number of sleeper-cutters was that they were granted local hewing permits on the royalties set out by the Forests Department. For some reason the department decided that the royalty was not sufficient, and many of the local hewing permits were cancelled. Some of the sleeper-cutters have been put out of the Government bush. In the Willowdale district certain sleeper-cutters were put off their blocks and local hewing permits were cancelled. These men are now looking for work in other places. The other day I asked the Premier certain questions about sleeper-cutting. I mentioned the increased royalties. I should like to give some information about the increased royalty, and to quote certain examples dealing with the local hewing permits. In the case of Inglehope, the royalty was increased from 5s. to 15s. per load; at Wellington, the local hewing permit royalty was increased from 15s. to 26s. 6d.

The Premier: The buyers fix the royalty.

Miss HOLMAN: These men had local hewing permits on the basis of a certain royalty. The permits were cancelled, and were, in some cases, put up for auction. In connection with the Wellington district, the Forests Department, on the 17th May, 1935, announced the royalty on the basis of 2,344 cubic feet at 3d. per cubic foot, which works out at a royalty of 12s. 6d. per load. In the fol-

lowing month, on the 20th June, a communication was sent to the same place notifying that on 2,702 cubic feet the royalty was 6.36d. per cubic foot, equal to 26s. 6d. per load, or more than double that of the previous month. The local hewing permits had been cancelled, and the price of the timber had gone up. Some of the permits were not put up for auction, but were cancelled, and another royalty put on to the new permit. In the case of Willowdale, the royalty was increased from 10s. to 15s.; Noggerup, from 7s. 6d. to 15s.; Collie, from 7s. 6d. to 10s.; Muja, from 5s. to 7s. 6d.; Bowelling, from 7s. 6d. to 15s.; Holyoake, from 7s. 6d. to 15s.; and Shotts, from 7s. 6d. to 13s. In addition, there were the cases where permits went up for auction. I disagree with the auction system. It is a vicious pitting of one contractor against another. The contractors are forced to raise their bids to the limit to get a permit. I do not wish it to be thought I desire to protect all contractors. I do not hold any brief for those who exploit the workers. Some of those men who were on permits were only sleeper-cutters themselves who were classed as contractors. They also had to go right up to the limit of what they could afford in order to get permits. It has been stated there were certain rebates in the timber industry, but very little of that applied to hewing. There was a certain rebate on sawmilling, a 20 per cent. log royalty rebate, a 25 per cent. inspection fees rebate, and 3s. per load rebate on sawn timber for export. If the 5s. rebate on sawn timber for export were applied to the hewn sleepers also, it would be of some advantage. At the time these rebates were given to the sawmilling industry, there was an increase in the hewing royalties.

Sitting suspended from 6.15 to 7.30 p.m.

Miss HOLMAN: Just before the tea adjournment, I was pointing out that some rebates had been granted in respect of sawn timber, but not to the same extent with regard to hewn sleepers. I would like to make a comparison between the royalty paid on sawn timber that only amounts to from 5s. to 6s., and the royalty paid by the sleeper cutters which runs from 12s. to 26s. 6d. The costs in connection with a

load of sleepers represent a fairly large amount, including royalty from 12s. to 26s. 6d., cartage to about 11s., inspection to 1s. 7½d., and freight will be anything from 12s. to 24s. Freight, of course, is a variable quantity depending upon the distance over which the sleepers are carted. About two years ago a rebate in connection with the inspection fees was granted. The inspection fee was originally 1s. per load. About 15 years ago it was increased to 2s. 1½d. per load on Crown lands and to 3s. 2¼d. per load on private land. Two years ago the fee was reduced to 1s. 7½d. all round. That decrease represents a reduction of 25 per cent. and 50 per cent. in respect of Crown land and private land respectively. That reduction sounds a good deal but when it is realised that it represents 6d. in one case and about 1s. 7d. in the other, it will be seen that it does not amount to so much. An inspector can inspect up to 1,000 sleepers per day and, in those circumstances, it can easily be seen that, with 16 to 20 sleepers constituting a load, the existing charge is too high and the rebate that has been made is not at all large. It is unfortunate that there is very little sympathy apparent for the cutters. As I indicated before, cutting in poorer bush and the necessity to cart sleepers over longer distances combine to make the position very difficult for the cutters. With respect to Crown lands, the foresters mark trees and the sleeper-cutters must cut those that are marked. The sleeper-cutter is a practical man and he knows before he cuts the tree, whether he will be able to get a sleeper out of it. Unfortunately, in many instances, the views of the sleeper-cutter and the marker differ widely. It often happens that after a tree has been cut and the cutter endeavours to get a sleeper out of it, the sleeper is condemned but the cutter has to pay royalty on sleepers so condemned just the same. I thoroughly disagree with the present system of auctioning blocks and running up the amounts receivable as royalty. Possibly it would not be out of place for me to give members particulars of a recent instance, to lend point to what I say. In the Busselton district two blocks were submitted to auction and the upset price per block fixed by the Forests Department was 13s. 6d. At the auction, various contractors competed against each other to

such an extent that the blocks were knocked down to two men at a royalty of 30s. The upshot was that the two contractors could not carry out their contract on the basis of royalty at 30s. They had to forfeit their deposits, and eventually the blocks were again put up to auction. On the second occasion, there were not so many contractors bidding and finally the two men who had originally secured the blocks, again had the right to cut on the blocks at a royalty of 13s. 6d., the upset price that was fixed at the outset by the department. In view of such an occurrence, it seems to me that something is wrong. I suggest that instead of submitting blocks to auction, a board should be appointed to deal with the matter along lines similar to that adopted by the Land Board. When a block of land is thrown open for selection, a price is put on each block, and the members of the board decide which of the applicants for any particular block shall be allowed to take possession of it. It would be far better if a similar system were applied in connection with our forests. The existing system has led to many abuses. It has allowed things to happen that should not have been permitted. Private landowners are raising their charges, and so the dreadful circle is allowed to continue. A further and more important remedy still would be a reduction in the freight charged by the railways. The Railway Department obtain fair returns from the carriage of sleepers. Over 12 per cent. of the total tonnage hauled by the railways is represented by timber, and 12 per cent. of the revenue in respect of goods hauled is derived from timber, of which a great part is obtained from sleepers. The Railway Department charge the same for hewn sleepers as for seasoned timber, although hewn sleepers are worth £5 15s. per load, whereas seasoned timber is worth about double that figure. Then, again, the department haul mining timber at specially reduced rates and sleepers for wheat stacks and logs for milling purposes at cut prices. I do not wish to protect the contractors who are exploiting the cutters, but I claim that there are many abuses in the industry at the present time, and I believe the Forests Department should have more regard for the men who have done so much in the past to help in building up the timber industry. At present men are forced to tender to the limit and the Government, and the Forests Department by their royalty charges and by submitting blocks to auction, are accessories

to the fact that hewers are being exploited. These charges are forcing the contractors to pay small wages to the sleepercutters. It is hard for the latter in these days to earn even the basic wage, whereas they should have, according to the rate specified in the award for broad-axemen, a margin of 24s. over the basic wage. The other evening the member for Collie (Mr. Wilson) quoted an instance in which, he said, a certain contractor did not pay the men more when he had to pay a smaller royalty. I am not in that contractor's confidence, but I would remind members that the increased value of sleepers to 12s., enabled the principals on occasions to allow a higher price for royalty and on other occasions the price was balanced in one section by the smaller railage freight and in the other section by the greater freight over longer distances. As the member for Collie mentioned, the Forests Department have done some excellent work in the South-West. After many years of neglect and rash use of the forests, the department have now engaged in the necessary work of reforestation. Even so, a few complaints have been made regarding the land that has been reserved for reforestation purposes. I have had many complaints from the southern end of my electorate where land has been reserved by the department although the farmers consider the areas so reserved are not suitable for forestry purposes and wish to have them thrown open for selection as agricultural holdings. So it will be seen that there are complaints on that score. During the depression the Forests Department provided opportunities for employment and many men were engaged in doing useful work in the forests. During that period, however, individual sleepercutters were put on blocks where they were required to work for what was really the dole. The sleeper business shrank and the rates payable decreased. The low rates are being continued to-day. There are various explanations. For my part, I would like an inquiry to be held regarding forestry matters. I would like to see an investigation into the whole of the ramifications of forestry work, sleeper-cutting, royalties and so forth. I would like that inquiry held in order to ascertain if we can rectify the evils that have grown up. In the worst years of the depression, the Forests Department charged a smaller royalty. Within the last six months almost every local hewing per-

mit royalty has been raised. It appears, now that conditions show a slight improvement, the Forests Department are cutting the contractors down by levying a higher royalty on Crown lands and, consequently, are also beating the hewers down and preventing them from getting a higher rate. As the Premier said the other evening, there are more cutters working on private land to-day than on Crown land, but there are very few of the old cutters left. I do not think there can be many more than a hundred working in the industry at present. A great many of those who were working on Crown land have been hunted off by the cancellation of their local hewing permits. They are hard-working men, but no new licenses have been granted since 1918. I think that the Government and the Forests Department should help these men to produce the valuable export commodity that they handle. Failing that, the men will have to go on the dole. There is no question that the sawn sleeper is dearer than the hewn sleeper, but the hewn sleeper is the better.

Hon. C. G. Latham: Foreign countries are demanding the sawn sleeper.

Miss HOLMAN: The contracts provide for sawn or hewn sleepers. The hewn sleepers do not cost so much and that enables a blending of the sleepers that are shipped. Exporters are able to tender for contracts. I am sure the Government are anxious to do their best for the sleeper-cutters. I do not believe it is their policy to take advantage of these underpaid workers, but I feel that something should be done to assist them. It is a crying shame that they should have been treated as they have been. They are being run out of the industry, and in a few years none of them will be left. I have been twitted with being the "member for the timber workers and sleeper-cutters." We had an example the other night when the member for Nelson (Mr. J. H. Smith) was speaking. When I interjected, he told me that he had practical knowledge of the industry that I did not possess. I have a good bit of knowledge about the industry without having had practical experience. I know what these men are suffering, and how they are underpaid. What is more, if it comes to a point, I will back up my knowledge with my vote, which is more than the member for Nelson will ever do. There is not much more that I can say. There are a number

of works in my electorate, including the railway deviation mentioned by the member for Collie. That of course is an instance of progress, and if justice is given to the settlers whose land has been used by the railway we shall have no cause for complaint. I have to congratulate the Government on the work they are doing on the roads in the South-West. If it continues, we shall soon have perfect roads down there. But if we could have men constantly engaged on the maintenance of the roads we would not have our good roads eaten into potholes.

Hon. C. G. Latham: You mean they are spending money on making roads but are not maintaining them?

Miss HOLMAN: They are maintaining them, but if the work were done immediately it was required, by permanent maintenance men, it would be better for all concerned. I thank the Government for the help they have given me in my electorate, and I hope they will give the assistance badly needed by the sleeper-cutters.

MR. NEEDHAM (Perth) [7.49]: The Leader of the Opposition during the course of his address referred to the Budget speech of the Premier as a pre-election speech. That is a very cheap term, and a term frequently used by members of that party. It is merely the repetition of a parrot-like phrase applied to the Government at times, and is intended to mean that because an election is pending the Premier is simply trying to dress a window to present to the electors.

Hon. C. G. Latham: That has been said about all Premiers.

Mr. NEEDHAM: I think the hon. member who designated the Budget speech a pre-election speech should have been very careful before doing so. He was reluctant to praise anything the Government had done, but he hastened to ridicule them. In view of recent political history, one can understand the attitude of the Leader of the Opposition, who was the deputy Leader of the party which deluded the people of the State in 1930 by making promises on the eve of an election, promises which were never fulfilled. He was deputy to Sir James Mitchell, who was then Leader of the party, and with his leader he made certain promises on the eve of the election, promises which they had no intention of fulfilling.

Hon. C. G. Latham: You should not say "intention," you should say "opportunity."

Mr. NEEDHAM: The famous statement made by his leader, Sir James Mitchell, on the eve of the 1933 election, was that if returned he would provide work for all. That is now a matter of history. There was no hesitation about the utterance made by Sir James at that time, and it was repeated by the member for York.

Hon. C. G. Latham: It was never repeated by me. Stick to the truth.

Mr. Thorn: And the hon. member was not the member for York.

Mr. NEEDHAM: I am afraid I said the election of 1933, whereas of course I should have said the election of 1930. If my honourable friend did not repeat the statement of his leader, he did not make any denial of it, and his silence gave consent to that promise that if returned by the electors in 1930 the new Government would provide work for all. I repeat that the present Leader of the Opposition made no statement during the course of that election which would have led one to believe that he differed from the statement made by his leader. It is well within public memory that, instead of work being provided for all, unemployment reached its high water mark during the period 1930-33. There was the pre-election promise made, not in this Parliament, but on the hustings, and made, I venture to say, with the intention of entrapping the unwary elector. I admit that at the time that utterance was made the economic blizzard had just struck our shores and was making itself felt. I admit that we were just then realising that we were caught in the toils of its devastating force. While that was so, it was not a sudden or unexpected visitation. All the signs of the times were indicative of the fact that the economic storm was approaching. The warnings were many and the evidence of an intending slump was ample. It is well to recall the difference between the attitude adopted by the then Premier of the State, Mr. Collier, and that adopted by Sir James Mitchell, the then Leader of the Opposition. Mr. Collier never hesitated to tell the people what the signs were, nor to tell them how he read those signs. In all his speeches he stressed the fact that the signs of the times presaged difficulties ahead, and he said that if his Government were returned to office he would be set a

most difficult task in steering the ship of State through the tempestuous economic seas ahead. I remember that on the night before the election day of 1930 Mr. Collier in his final speech to the electors stressed that point, and said that if returned to office he would be faced with the economic trouble that was coming to it; he realised, he said, that his Government would not be able to do many things they would like to do. So, as I say, right on the eve of the election he did warn the electors of the impending trouble. That was entirely different from the attitude adopted by his opponents, the leader of whom was Sir James Mitchell. There was no such attitude adopted by Sir James, and no such frankness by the member for York, the deputy of Sir James. In none of his speeches did he stress the danger ahead.

Hon. C. G. Latham: When was this?

Mr. NEEDHAM: At the 1930 election.

Hon. C. G. Latham: You are talking without your book. I was not member for York in those days.

Mr. NEEDHAM: But you held a responsible position in the Country Party.

Hon. C. G. Latham: I did not. Do not you remember the time when you entertained me at Canberra?

Mr. NEEDHAM: That was long before 1930, and had I known the hon. member then as well as I do now, I might have entertained him in different fashion. But even if the hon. member was not the Leader of the Country Party on that occasion, he was certainly a responsible member of that party. Yet he did not attempt to dissuade the electors from the view expressed by Sir James Mitchell, whose definite promise to the people was that there should be work for all. As I have said, it is a matter of history that that promise was never honoured. Sir James and his party had the same chance to read the signs of the times as had the members of Mr. Collier's party, and if they did not read them their offence was all the greater, because it was their duty to see and watch the indications of coming trouble. The only conclusion I can come to in regard to his pre-election speeches and promises is that Sir James on that occasion knew that his promise could not be carried out, yet still made it as a catch-cry to get the votes of the electors.

Hon. C. G. Latham: Would you be surprised to know that I did not make a speech at that election? I was returned unopposed.

Mr. Tonkin: Did not you assist any other members of your side?

Hon. C. G. Latham: No.

Mr. NEEDHAM: If I have made a mistake in regard to the position of the hon. member on that occasion, I still say he tacitly agreed to that promise of work for all, and so to that extent he shared in the making of it. The Leader of the Opposition has described the recent Budget speech delivered by the Premier as a pre-election speech. May I remind him there is such a thing as the fulfilment of election promises. The Budget speech recently delivered by the Premier is the completion of the fulfilment of his pre-election speeches of 1933. He then promised that there would be periods of full-time employment on the basic wage for the unemployed. That promise has been fulfilled, and the employment figures speak for themselves. Conditions of trading during the three years 1930-33 were not at all creditable to any Government, despite the fact that we were involved in economic trouble. Besides promising periods of work at the basic wage, the Premier said that if returned to office he would make drastic alterations in the financial emergency legislation. That pre-election pledge has also been honoured. At the beginning of the first session of this Parliament, as members know, the first attempt was made on the financial emergency reductions, and relief was given to men on the basic wage, and a promise made that there would be relief for members of the public service. Last year we witnessed the second stage of the removal of the financial emergency cuts when salaries up to £500 were restored. Now we have the promise that from the 1st January next the whole of the financial emergency cuts will be abolished. Therefore, I say to my friends opposite that instead of the Premier's Budget Speech being a pre-election speech, it is a fulfilment of promises made to the electors, which may be something strange to the understanding of my friends opposite, so far as their governmental record is concerned. During his address the Leader of the Opposition said he was disappointed that, although the

Economic Council had been operating for over two years, imports from the Eastern States had increased by one million pounds. While I admit that fact, and I regret to have to admit it, that is not the fault of the Economic Council. I venture to say that the Economic Council have done a vast amount of good work in their campaign to encourage the use of local products, and the result of that campaign has meant considerable benefit to the people. I realise that it is a very difficult matter to bring about a proper psychology amongst the people, but if the Economic Council have failed to bring about the proper psychology, namely to establish in the minds of citizens of this State the imperative necessity for purchasing local products, again I repeat it is not the fault of the Economic Council.

Mr. North: Is not there room for imports as well as for local products?

Mr. NEEDHAM: There is room for importing some goods from the Eastern States. Long before the Economic Council were established, I was a keen advocate of purchasing local goods first of all, and if goods were not manufactured in this State, naturally the next preference should go to our people in the Eastern States and the third preference to British goods. There should be a greater local consumption of local goods. The Economic Council set out to try to establish the necessary psychology. They have not been successful to the extent that they desired or to the point for which they so ably worked, but I reiterate that that was not their fault. It was due to the apathy of the people of the State, the indifference displayed by the average citizen as to where his purchases come from. Our people have not a habit, when making purchases, of asking where the articles were made, whether those articles be food, clothing or anything else. That psychology is necessary before the local products campaign can become a complete success. That is what the Economic Council have striven nobly to attain and no man worked harder to that end than did the Minister for Employment. While imports from the Eastern States have increased by £1,000,000 during the past year, let me point out that the greater proportion of those imports comprised goods that were not being extensively manufactured, if manufactured at all, in this State. When we cannot get a product manufactured

locally we must purchase from the other States of the Commonwealth. The fact that imports from the Eastern States increased by £1,000,000 last year does not signify that the work of the Economic Council has been in vain. I realise that better work could be done, but better work can only be accomplished by the co-operation of the citizens of the State with the Economic Council in the matter of patronising local products. Despite the excellent work done by the Economic Council, they have not been able to convert citizens to the need for purchasing local products. There is another phase of their work to which reference might be made, namely, they have been responsible for a notable increase in the number of persons employed in factories in this State, which are well on their way towards reaching the figures of 1929. That is something accomplished, something done. The very fact that the number of employees in factories has been increased to that extent indicates the relief to the Government in the matter of finding employment. When we remember that 1929 was the peak year of our prosperity and that the work of the Economic Council is resulting in our almost reaching those figures, we have reason to be grateful for the work the Economic Council have done. I referred a little while ago to a statement by the Leader of the Opposition. This afternoon we had a speech by another party leader, namely the Leader of the National Party. I noticed that that honourable and learned gentleman tried to lash himself into a fury about something the Government have done in the matter of the remission of financial emergency cuts. I noticed also that he displayed a death-bed repentance for the existence of the Premiers' Plan, which he himself helped to bring into operation in this State. He also indicated that he had developed a sudden solicitude for the widows and orphans who, he said, were suffering as a result of the operation of the Premiers' Plan. He followed on by showing some interest in the unemployed youth of the State. After displaying this belated interest in the welfare of those people and condemning the Government of the day for not having done more for them, he sat down without suggesting any way out of the present difficulty. Not one suggestion did he make to benefit the widow or orphan whom he lamented; no method did he suggest by which one youth could be placed in employment. That is

the attitude of the Leader of the National Party.

Mr. McDonald: He suggested an inter-State convention to deal with the employment of youth.

Mr. NEEDHAM: That suggestion was made long before the Leader of the Nationalist Party mentioned it. What I was referring to more particularly was that the hon. gentleman himself was partly responsible for implementing the Premiers' Plan. He was a member of the Government that brought it in. When it became a little dangerous, he got out of the Government, and then started to criticise something which he himself had voted for and helped to pass as a private member. I do not know of anything on record to show that he opposed the implementing of the Premiers' Plan in all its phases, including its impositions on widows and orphans. I realise that very many people in this State and in the Commonwealth have suffered and are suffering because of the Premiers' Plan. Any number of people who had made some little investments to try to tide them over the declining years of their lives suddenly found the income taken from them, or if not taken completely, at least considerably reduced. That was one of the many phases of the Premiers' Plan. When the reduction of interest was made, no exemption was granted in relation to the amount of income being received. The widow was treated in precisely the same manner as the man dealing in hundreds of thousands of pounds. It is too late in the day for the Leader of the Nationalist Party to lament that now, especially when he himself was a party to implementing that very procedure. As the member for West Perth interjected, the Leader of the Nationalist Party did suggest an inter-State convention to deal with the problem of the employment of youth, but the suggestion is not new. I think the Leader of the Nationalist Party realises that he must share the responsibility for the Premiers' Plan and the misery that it helped to bring about.

Mr. North: Hope deferred makes the heart sick. It has been going on for a long time.

Mr. NEEDHAM: It has. Had the Labour Party been in office at an earlier stage, we would not have been suffering from all the curses of the Premiers' Plan for so long. I think the Government have done exceptionally well in getting clear of it in the time. When the Premier was making his

Budget Speech and announcing that all emergency salary cuts would be abolished, I interjected that that was the end of the Premiers' Plan. It was the end of the Premiers' Plan so far as the Plan affected salary cuts, but there are still some features of the Plan in existence, notably the provisions relating to interest reduction, and there is the legislation regarding mortgages. So far as the Government have gone in their elimination of the Premiers' Plan, they have fulfilled to the letter their pledges to the people of this State. Some comment has been made of the Civil Service and of the proposed abolition of the salary reductions. I think it is time that those deductions were eliminated. It is a well-known fact that the Civil Service of this State is the poorest paid service in the Commonwealth, and no one can say that our Civil Service is less efficient than that of any other State of the Commonwealth. I have had considerable experience of the Civil Services of the Commonwealth and I venture to say that we have in Western Australia a Civil Service equal to any. I can also say without exaggeration that our Public Service is superior to those of many of the other States in efficiency, promptitude and courtesy so far as their work is concerned. It is regrettable that ours is the lowest-paid Public Service in Australia, and therefore it is time the load our public servants are carrying was lifted from their shoulders. The Leader of the Opposition also said there should be reduction of interest on borrowed money. I agree with him. He further suggested a few ways to establish confidence in the public mind. One of the ways he suggested was a balanced Budget, and another was a fixed price of 5s. per bushel for wheat. The balanced Budget would be highly useful so long as it did not entail too much sacrifice on the people. Like the hon. member, I would be glad to see a proper price fixed for the bushel of wheat. I realise that the farmers of Western Australia have been hard hit. But why stop at fixing the price of wheat? There are other things as regards which price-fixing would come in handy, and not only for the producer but also for the consumer. However, I heard no word from the Leader of the Opposition as to establishing a fixed price for any commodity other than wheat. Again I agree with the hon. gentleman that we should fix the price of wheat, but I would go further and

fix the price of a good many things. To-day the price of bread is rising. When from this side of the Chamber it has been suggested that we should make an attempt to fix the price of bread, there has been a howl of indignation from people holding the same views as my friends opposite. A half-penny per loaf increase to-day means a big item to many Western Australian families. Bread is the principal food in many of our homes. It has been so for years; and to-day bread is about all many families can get; there is little meat or butter to go with it. To a family with four or five growing children, an increase of a half-penny per loaf means a great deal. Thus there are other things besides wheat for which the price might be fixed. When the Government sent to another place a Bill that would tend to equalise matters as regards the baking industry, that Bill was contemptuously thrown out there.

Hon. C. G. Latham: That Bill would not reduce the price of bread.

Mr. NEEDHAM: I do not say it would do that, but it would make an arrangement for better dealing as regards the bakers and the public. Because the measure was going to make things a little better for the consumer, it was contemptuously rejected by another place. I wonder does the Leader of the Opposition imagine that those would be the only ways to establish public confidence—fixing the price of wheat and having a balanced Budget. There are other ways. One of the best ways would be to have monetary reform. There are vital questions of finance, credit and currency involved in the monetary policy. If we had some of the reforms asked for in the monetary system, it would go a long way not only to restore public confidence but to stabilise it. The restoration of public confidence lies along the lines of monetary reform rather than along those mentioned by the Leader of the Opposition. I agree that such a reform would have to be Australia-wide. I realise that this Parliament alone cannot bring about monetary reform. But this Parliament and my friends opposite can co-operate with those of us who are anxious to bring about monetary reform. That is a reform of which all parties to-day realise the necessity. Monetary reform was the main question at the 1931 and 1934 Federal elections. It is a matter of history how the money power then fought the

policy of the Australian Labour Party. It is a well-known fact that when the Australian Labour Party came into the arena with its policy of nationalisation of banking, the money power was solidly behind our opponents. That was so in 1931 and again in 1934. So important was the question during the Federal election of last year, that the Prime Minister, Mr. Lyons, got a bit anxious about the matter. He felt a little perturbed when he saw the determination of the Australian Labour Party to force that question to the front and make it a main issue of the election. Realising the importance of the matter and afraid of the result of any indifference on his part, the Prime Minister said he would appoint a Royal Commission to inquire into the banking system. That was another pre-election pledge of the Federal Government of the day which so far has not been honoured. The money power has been busy ever since to prevent the fulfilment of that promise. The money power that was so vigilant and so effective in its opposition to Labour during the elections of 1931 and 1934, is still vigilant and has done everything possible to prevent the Prime Minister and his Government from fulfilling that promise. The question of the appointment of a Royal Commission to inquire into the banking system is still being considered by the Federal Government, 12 months after the election. I am not surprised at that. If the Federal Government did appoint a Royal Commission to inquire into the banking institutions of the Commonwealth, I know what sort of a commission it would be. On one occasion Mr. Lyons stated, "I stand foursquare for the banks." That being so, I do not think his Government will be in a hurry to appoint a Royal Commission that would make anything like an effective inquiry. In view of that statement of the Prime Minister, I consider that he and his Government would prefer a dictatorship of the banks to monetary reform. That is how I sum up the Federal Government's attitude in relation to banking. No matter what their attitude may be towards the all-important question of monetary reform, the time is not far distant when the present occupants of the Federal Treasury benches will be compelled to yield to the public demand for release from the shackles of financial dictatorship. Since

the inception of the Premiers' Plan four years ago, the public debt of Australia has increased by nearly £100,000,000 and the aggregate interest bill is now nearly what it was when the Premiers' Plan was inflicted on the people. So, after all, from a national point of view we have gained little, if anything, from the Premiers' Plan. The Premiers' Plan insisted on a 22½ per cent. reduction in interest. Through the increase of our national debt by another £100,000,000, our annual interest bill is practically back to where it was. That is the trouble we are faced with, and the banks are reaping all the benefits of it. These profit-making institutions are reaping a harvest out of all this. Nearly all the gain made by interest reductions through the Premiers' Plan has been lost by the increase in the public debt. During the past few years, embroiled as we were in economic difficulties, millions of pounds were required for large-scale public works, to absorb unemployed and minimise unemployment and develop trade, industry and commerce. But rightly or wrongly, during these years of depression, the banks have been adamant in their policy. The Commonwealth Bank, working in concert with the private banks, has refused time and again to supply the requests of the respective Governments when placing before them their works programmes. That attitude has made the effects of the depression worse than they would have been under ordinary circumstances. The banks have refused to supply anything like the necessary amount, and at the same time their interest charges have been stupendous. Why should we continue longer to pay interest to these private holders? Why not nationalise the banking system and pay the interest into the national exchequer? No matter what we do in this Parliament to help the people, we cannot get far along the road towards prosperity while the present monetary system lasts. I say again, I realise that singly this Parliament can do nothing. But working in concert with the other Australian Parliaments and heeding the public demand for monetary reform, we would do well to insist upon the Federal Government of the day, if they will do nothing more, hastening the appointment of a Royal Commission to inquire into the banking system. I venture to say that if they do, they will

find ample proof that the Australian Labour Party are on the right track in demanding monetary reform. The Australian Labour Party will continue to advocate monetary reform, the nationalisation of banking, and the national control of currency and credit until such time as we see these things established on the statute-book of the national Parliament.

MR. McDONALD (West Perth) [8.29]: The member for Perth (Mr. Needham), in the course of a skilful pre-election speech of his own, has expressed his horror of other people's pre-election speeches. I do not propose to join in the chorus of congratulation which has come from the other side of the Chamber, but I do want to congratulate the member for Perth on the phrase "toilers of a devastating force." I was getting very tired of the phrase "economic blizzard," and I liked the substitution. There have been a lot of congratulations to the Government because they have done certain things such as restoring cuts in the Civil Service. Everybody in the State without exception will be glad that the Premier as Treasurer has considered that the financial position justifies the restoration of those cuts.

The Premier: We have not had so many congratulations, only a few.

Mr. McDONALD: It is what everyone desires to see, that is, the removal of all financial emergency legislation, because it would be an indication that the times had changed to such an extent as to enable that course to be taken. I should like to be able to congratulate the present Government, or any Government, on doing some unpopular things. It is the unpopular things which often have been of great service to the country. The Premiers' Plan, which is almost past history now, was unpopular, and in the remarks I propose to make I wish it to be understood that I am speaking entirely for myself. I should like to express the opinion that the passing of the Premiers' Plan was an act of political courage on the part of the Scullin Government and of the six State Governments.

The Premier: But it was not adopted in the manner expressed by your Leader.

Mr. McDONALD: I may deal with that aspect of the matter later on. The Premiers' Plan was forced on the Commonwealth Government and on the six Parliaments. They had no option but to carry

it through because at that stage Senator Barnes, who was then a Minister in the Scullin Government, said frankly that the Government would be able to pay 12s. by way of old age pensions up to the 31st July, and after that would not be able to pay any pensions if the Premiers' Plan were not adopted. It was the only expedient for the Commonwealth Government at the time to enable them to control the finances and carry on the services of the Commonwealth and the States.

The Premier: The member for Nedlands said that the then Prime Minister forced it on. That is not true. It is misrepresentation.

Mr. McDONALD: It has been said repeatedly in this House that the Commonwealth Government has overriding power, and is in the position of forcing financial measures on all the States. The Premier has repeated that statement in this House.

The Premier: I have not said that at all.

Mr. McDONALD: It has been said in this House.

The Premier: No matter what has been said, the overriding power is with the States.

Mr. McDONALD: No doubt they exercise paramount power.

The Premier: Let that be thoroughly understood; the overriding power is with the States.

Mr. McDONALD: But the paramount power is with the Commonwealth.

The Premier: At that conference the Prime Minister had no power to force anything on the States, but your Leader said to-night that the Prime Minister forced it on the States, and that is not true.

Mr. McDONALD: The Commonwealth possesses the overriding power of taxation and they exercise it.

The Premier: That is not true.

Mr. McDONALD: It is the view of my Leader.

The Premier: Not the view of your Leader, the expression of your Leader.

Mr. McDONALD: Whatever the position may be, the fact remains that the Governments signed up the Premiers' agreement knowing that it was unpopular, and they signed it because there was no alternative. In those circumstances it is not much use to debate whether it is good or bad because the facts show that the Premiers concerned and the Prime Minister had no option but to agree to the Plan.

The Premier: The Bill introduced in this State by the Government of the day was not in conformity with what was agreed to at the conference. It went far beyond what was agreed to.

Mr. McDONALD: I admit it was an unpopular measure and it was forced on the people of Australia by the then economic circumstances. I wish to pay a tribute to the various Governments that undertook to introduce the legislation. They, however, realise that it was the only course to follow. In this State the Government implemented the Premiers' Plan and they also made the cut apply to private employment. That may have been right or wrong. At the same time the Government introduced legislation for the protection of purchasers' homes, legislation which was more drastic against the lenders of money than that which was passed by the Government of Victoria. The fact remains that the then Government of this State brought in legislation which they at that time thought, rightly or wrongly, was in the best interests of the State, and what I wish to say is, without hesitation, that the introduction of that legislation was an act of political courage. It is easy to do a popular thing such as reducing taxation or increasing emoluments, but to take an unpopular course which we know will affect the pockets of a large body of people is an act of political courage which can be applauded. The people of this State at that time recognised that they had representatives who were prepared to do what they thought was right without regard to political considerations. I want to read a lesson from what took place then because I hope the same political courage will be exhibited in other parts of Australia as was exhibited by the Government in 1931. That Government did what they thought best to meet the situation as it was then. The position is that our loan policy was justified up to 1930 by the increasing population and increasing production. That justification was a good basis for borrowing money. In 1930 our production fell off and our population became stationary, and we still kept on borrowing. That was the second phase of our loan policy and the basis of our borrowing was justified at that time because we said we had to borrow to tide over the depression until our population increased again and our

production increased in value. But in 1935 we find that the restoration of our markets and the increase in our population have not materialised, and we further find that we have lost certain markets overseas for our main product, wheat, and that it will be a long time before we are able to get back to the position of 1929. One of my objects in speaking to-night is to express the opinion that the time has arrived to review our loan policy in the light of present conditions. The necessity for reviewing the loan policy is more pressing in this State than in any other State of the Commonwealth. In the past we have borrowed through the Loan Council substantial sums of money. We have borrowed more per head of population than any other State because the Loan Council apparently has realised that the requirements of Western Australia are such that greater latitude should be allowed in borrowing money than is allowed to the other States. The reason why I say that we of all the States should now review our loan policy, not necessarily to have it reduced—that would be a desirable objective, though it would not be possible immediately—but to review the basis of our finances. I do not intend to quote figures at length, but I do intend to refer to the latest "Commonwealth Year Book" for the year 1934, page 435.

The Premier: Very misleading.

Mr. McDONALD: It may be, as the Premier says, but even allowing for a considerable variation between those figures and the actual truth, I think the facts are what we should face. The figures show an increase in the public debt of the States per head of population for the five-year period ended the 30th June, 1933. During that period the per capita indebtedness of Western Australia increased by £25 12s. 3d., that of South Australia by £14 16s. 10d., which is a little more than half, that of New South Wales by £13 15s. 9d., that of Victoria by £6, and that of Tasmania by 12s. 4d. Queensland reduced its debt by £4 8s. 8d. During the last two years there may be variations in those ratios, but when we consider we have been borrowing twice as much as South Australia, and forty times as much as Tasmania, it is a matter which I think should make us pause.

The Premier: Surely you are aware that those figures are not comparable; you

ought to know that there are boards and trusts in the other States, all of which have the power to borrow money. The figures are not comparable, and you are making a ridiculous comparison.

Mr. McDONALD: I do not think it is ridiculous.

The Premier: Of course it is.

Mr. McDONALD: Even allowing for a certain variation due to the money borrowed by boards and trusts, the fact remains that we are still borrowing, though I do not think we can avoid borrowing. I said that members of the Loan Council realised that we are in a position where we must borrow.

The Premier: We have not borrowed more heavily per head of population. You know that boards and trusts in the other States have power to borrow millions, which are not included in the borrowings by those States. You ought to state that.

Mr. McDONALD: If the Premier has the figures I hope he will correct my figures. I did say that these figures might not be accurate in view of the differing situations in the other States.

The Premier: It is a ridiculous comparison.

Mr. McDONALD: The figures indicate that we are increasing our indebtedness at a rate per head which is very great. I want to come to the inference I draw from them. In this State we were struck by the depression at a time when we had prepared for a large expansion of State business. We were at a great disadvantage compared with the other States, which had created and paid for their business. They were old, they had money, and they had reserves. Of all the States we have been placed in the most serious financial position as a result of the depression.

The Premier: It is wrong to compare the per capita indebtedness of this State with those of the other States. This State is borrowing for all kinds of semi-Government bodies, for which there are no borrowings in the other States. Any comparison of that kind is unfair.

Mr. McDONALD: The figures I have quoted come from the Commonwealth Year Book. I am pleased to acknowledge that there are variations due to the fact that we borrow for everything and everyone, whereas in the other States local public utilities borrow on their own account. I said the fig-

ures were subject to certain variations. I accept the statement of the Premier when he draws my attention to the difference in the borrowing powers of the States. I categorically stated that these figures could not be entirely accepted, but I maintain they indicate that we are borrowing at a considerable rate. I also say that in the circumstances we cannot help borrowing at a greater rate per capita than is the case with the other States.

The Premier: The comparison is altogether unfair and wrong.

Mr. Cross: A little knowledge is a dangerous thing.

Mr. McDONALD: I hope the Premier will give the figures that will show they are wrong.

The Premier: I have given them already.

Mr. McDONALD: No one would rejoice more than I to have them proved to be wrong.

The Premier: You should have the information yourself.

Mr. McDONALD: I wish to draw an inference from the figures. Even allowing for the borrowing by local bodies and public utilities in the other States, I maintain that we are borrowing, and no doubt are compelled to borrow, at a considerable rate per head of the population to maintain the services of the State.

The Premier: A comparison of that kind is most unfair to the State.

Mr. McDONALD: It would be unfair to the State if I failed to express what I thought.

The Premier: Your comparison is most unfair to the State.

Mr. McDONALD: It is subject to correction on account of the difference in the borrowing powers of the different States. I cannot say more than that. We have to consider what we should do to meet the situation.

Mr. Cross: Do you propose to close down public utilities?

The Premier: I have given the figures over and over again. Surely you do not want them repeated to-night?

Mr. McDONALD: We have suffered more than the developed States have suffered. I believe the Premier himself said we were entitled to certain readjustments in the financial relationships of the States and the Commonwealth. I believe we are so entitled. The Loan Council have recognised that on

account of our situation we should receive substantial help in our borrowing. We have received it, and they have recognised our moral right to it. That is not much good to us. The Loan Council or the other States would no doubt prefer that we should go on borrowing, and go on paying interest on the amounts we borrow, than that there should be any readjustment between the States and the Commonwealth in the interests of Western Australia, whereby our ordinary revenue would be augmented and our borrowing reduced. There is nothing sacred about the Federal Constitution. All constitutions have to be overhauled. Twenty years after the American Constitution was framed, a convention was held with a view to adapting the Constitution to the exigencies of the time. We want to adapt our Commonwealth Constitution to the exigencies of the times in the same way. I want to urge, and I hope the Premier will give the lead by a statement in the House, that we should lose no time in holding another Federal convention, or an assembly of the States of the Commonwealth, on a non-party basis, like any other convention, and provide that the delegates shall represent not only the various Governments, but every party, in the hope of arriving at some adjustment that will strengthen the financial position of Western Australia. We should not always be obliged to borrow money on which we have to pay interest. The financial position of the State cannot be benefited except by some concession from the other States. What we have to ascertain is whether the representatives of the Eastern States and the Commonwealth will give something away of what they now have, to render adequate justice to the people of Western Australia. I hope they will have the political courage to submit to a reduction of the benefits which they have so far gathered from Federation. My view is that the finances and the future of our State are sound. I have every confidence in the future of Australia which occupies a position that should enable her to restore her finances to a state of stability. The time has come, however, when instead of borrowing and being liable for interest, we should use every endeavour to get a convention or an assembly on a non-party basis of representatives of all the States, and all the parties in each State, with the object of making those adjustments which everyone

here knows should be made in favour of Western Australia.

The Premier: I agree with you there. At the conference last year the Federal Government absolutely refused to entertain the idea.

Mr. McDONALD: It should be constantly emphasised. I should like the Premier's policy speech to hammer that home all the time. It should be hammered home several times a year. In his reply I should like him to affirm the determination of the Government to insist upon a convention or an assembly of the States, to secure that adjustment which time has shown must be brought about in the Constitution and in the relationship of the different States.

The Premier: They refused to listen to it last year.

Mr. McDONALD: My object in quoting the figures, which are subject to variations on account of the different circumstances, is that they appear in the Commonwealth Year Book, and are there for all to see. They represent much food for thought. They represent a strong argument even if they can be reduced, as no doubt they can be, for immediate action being taken, and continuous pressure being brought to bear upon the other States and the Commonwealth to secure a revision of our relationship, which we all claim and agree is proper in the interests of Western Australia.

The Premier: I agree.

MR. COVERLEY (Kimberley) [8.55]: I appreciate the remarks of the member for West Perth, although I do not agree with all that he said with regard to our borrowing policy. At any rate he has the courage of his convictions. I see many dangers ahead if the Government restrict their borrowing, especially in times of depression. We have a young State to care for, and it contains vast areas that require to be developed. Now is the time to borrow money for the development of those areas. If we had a Government with the courage to borrow enough money and pass the necessary legislation, much could be done with the areas in the North, which are at present unoccupied. There must be many changes in policy before any works of great magnitude can be undertaken there. On many occasions when there has been a suggestion for developmental works in the North, organisations

of various kinds which know nothing about the matter have begun bombarding the Government through the Press and by means of speeches, to prevent such work from being undertaken. I have in mind the Yampi iron ore deposits. A vast area of iron deposit has been lying idle there for all time. Speculators and others have leases and reserves, but have done nothing with them. They have been sufficient to stop anyone else who desired to develop that part of the North-West. Not long ago a Japanese delegation visited Western Australia in the hope of forming a syndicate of Australians to work the deposits under Australian conditions and Australian laws. There are many reasons why nothing came of that scheme. I was rather surprised to read letters in the Press from returned soldiers, from the Young Australia League and other people who have no idea of what they are talking about. They seemed to think that the Japanese would have the right to go to Yampi and begin operations on their own account. Everyone should know that a Japanese syndicate cannot be formed in Australia. Such a syndicate must consist of a British personnel. I know a great deal about this subject. I think it is a great pity for Western Australia that the Japanese were not allowed to negotiate for the right to work those deposits. Had reasonable consideration been given to their proposals, I believe there would have been 400 men working at Yampi Sound to-day. That is a big thing to say, but I am positive that if the Japanese had been allowed to finance the work, the iron deposits would have been worked to-day. It would have meant that a big trade would have been opened up in connection with the cattle industry in the North. In these days we have little of economic worth in the northern parts of the State, for the primary industries are not profitable by any means under existing conditions. All we have for sale nowadays are cattle and iron, and if outside influences had not barged in, something would have been done regarding both those products. I do not wish to cast any reflection upon those who at present hold the concession over the Yampi Sound iron deposits, but I am convinced that if ever those deposits are worked, it will be with Japanese capital, not British capital. I

have information that goes to show that it will not be an economic proposition for British capital. Many people have a misconception of the reason the Japanese sought to secure the Yampi concession. Many think that the Japanese require the iron for war purposes, but they overlook the fact that Japan has suffered severely from earthquakes, despite which the country is going ahead by leaps and bounds. Steel and iron are required for building purposes, for railway lines and other operations. There will be a lot more iron used in those directions than will be utilised in the manufacture of bullets. As a good Australian, I say that if it is a matter of being killed by the Japanese or by any other foreigners, I would much prefer to be shot with Australian lead than with any other of which I am aware. It would be interesting to see something of a progressive nature carried out in the North-West. For my part, I regard the present holders of the Yampi Sound concession as mere speculators who are doing nothing. On the other hand, they are in negotiation with the Nippon Iron Company of Japan to finance them in their work. In my opinion, it is not right to hold up progress regarding the development of a valuable deposit that rightly belongs to the people of Western Australia. I hope the Minister for Mines will seriously consider the position before he grants any further reservations or extends concessions that have been made in that area. The member for West Perth (Mr. McDonald) also referred to the congratulations bestowed upon the Government. He realises, as I do, that the present Government have done much good. While he was a long time trying to say that improvement in the position was due to the actions of the Government, I shall do so in a very few words. I congratulate the Government on the progress made during their term of office, and I am grateful to them for the sympathetic manner in which they have dealt with the problems of the North-West. I would particularly refer to their assistance to the pearling industry, which suffered a setback owing to monsoonal conditions. I am pleased that the Government saw fit to ask members of Parliament to participate in a trip to the northern parts of the State. Those that participated enjoyed the experience and improved their knowledge regard-

ing the conditions and problems of the North-West. For my part, I look to those members who had the benefit of the trip to assist me in securing concessions from the Government to aid the northern parts of the State.

Mr. McLarty: You should organise a few more parties.

Mr. COVERLEY: The recent trip proved of educational value to those who participated, and I would like to see all the members of the Opposition in the North.

Mr. Raphael: Perhaps you could lose some of them there.

Mr. COVERLEY: I do not know that I would like to lose any of them. Certainly they say things at times that annoy us, but apart from that, I get on very well with them. The more they know of the North and its problems, the more they will realise the wealth that is lying idle and the more assistance they will be prepared to give me when I submit the case for the North. The pearling industry suffered a severe blow as a result of the recent willy-willy, and had not the Government gone to the financial assistance of the industry, I am satisfied that not more than half a dozen pearlers would have been able to carry on. I have heard the opinion expressed that people did not see any reason why the pearlers should be assisted, any more than those who were engaged in private business and had failed. There is more to it than that. Broome depends on the pearling industry, and many thousands of pounds of public funds have been invested in the town. If the industry could not carry on, the whole of that expenditure of public funds would finish up as feed for white ants. From every angle, the Government were justified in assisting in the rehabilitation of the pearling industry. There are one or two other matters I shall deal with. In the first place, I would draw attention to the continuance of the 20 per cent. surcharge on wharfage dues. That surcharge was first imposed as a war measure and has not been relinquished. The matter is not new to either the Premier or the Minister for the North-West, and I am sure both realise that the tax is trebled where people of the North-West are concerned. When goods are received at Fremantle, the 20 per cent. surcharge is levied. When the goods are purchased and are to be despatched to the North, the surcharge of 20 per cent. is again applied when the

goods are shipped at Fremantle. When the goods arrive at Broome or some other northern port, the same surcharge is again imposed, so that, in effect, the charge is one of 60 per cent. I trust the Minister will influence the Premier in securing the removal of that surcharge. I desire to support the remarks of the member for Roebourne (Mr. Rodoreda) regarding the necessity for an additional travelling allowance being granted to each member who represents a constituency in the North. I am pleased that he introduced the subject. For many years I felt that members who represent northern constituencies should be granted some additional assistance but, being modest regarding such personal matters, I did not like to introduce the subject. Seeing that the member for Roebourne has quoted the expenses that have to be borne by members representing northern constituencies, I shall content myself with endorsing his remarks and explaining that he did not overstate the cost. It may surprise members to know that during a recent tour throughout my electorate, I had on occasions to pay £1 for a tin of petrol. Up to date motor cars, while very useful, do not travel on their reputations, but require petrol, and that was not very satisfactory when I had to pay 5s. a gallon for the fuel. I hope the Premier will give effect to his promise seriously to consider that phase. The member for Roebourne also referred to the various methods of transport we had to indulge in, and to my having resorted to pack horses at times. That was quite true. I had to take a trip along the coast 300 miles north of Broome in order to investigate complaints and grievances of peanut growers. I can assure the Committee I would never have done the trip by lugger. The member for Roebourne did not mention that sometimes motor cars refuse to go in the North, in which circumstances one is forced to complete the journey per boot. I desire to take this opportunity to refer to the Royal Commission appointed to inquire into the condition of the aborigines. I congratulate the Government on their choice of a Royal Commissioner. I appreciate the early action of the Government and the support that members accorded the motion I submitted in favour of the appointment of the Commission. I pay a tribute to Mr. Moseley for the thorough, painstaking manner

in which he dealt with this very intricate question. I do not agree with every word contained in his report on the aborigines, but on the whole I am convinced that it was a sound and practical report. I certainly am convinced that the report justified the appointment of the Royal Commissioner. The Estimates show that the cost of the Commission was very small. If the amount had been four times as great, the expenditure would have been justified if only by reason of the fact that it gave the general public an opportunity to realise how serious are the diseases that exist among the natives in general, particularly leprosy. The report will also give the public an opportunity to appreciate the hush policy adopted during the past 10 years by both the Chief Protector of Aborigines and the Chief Medical Officer of the State. The Royal Commissioner in his report pointed out that officers of the Aborigines Department had been somewhat dilatory, and I propose to quote one or two extracts from that report, particularly with reference to leprosy and medical attendance throughout the whole of the Kimberley district. The occurrence of leprosy was originally discovered in the Kimberley district in 1924 by Dr. Cook, a specialist in tropical diseases. He submitted a report on the presence of leprosy among the natives, but from that time nothing of a serious nature has been attempted to deal with the disease. Nothing has been done with regard to medical examination or the extension of hospital facilities. In fact, little has been done to clean up the disease at all. The Royal Commissioner in his report said this—

I can only say that it is amazing that so little action has been taken since Dr. Cook reported on the matter in 1924. In ten years there has been no systematic examination of natives for leprosy, and those lepers from this State now at the leprosarium at Darwin—numbering about 80—were, as I pointed out in my July report, discovered as a result of a very cursory examination of a comparatively small area of the Kimberleys. It is essential that this matter, perhaps above all others mentioned in this report, should receive urgent attention.

Further, the Royal Commissioner, referring to the accommodation provided for these cases, had this to say—

If this area were used merely for the purpose of holding patients for a few days pending removal the position would still be bad. To have used it as an appropriate site in which to hold those patients for eight months suggests, in my

view, either a degree of casual administration which should not be tolerated or a lack of knowledge of the real facts on the part of those responsible.

The Commissioner, in making those remarks, probably was doing so after his considered opinion of what he had seen for himself in Broome, Derby and Wyndham. Like the Commissioner, I could not understand why the department had for so long done nothing of an active nature. I suggest it was the hush-hush policy on the part of the Commissioner of Public Health and the Chief Protector of Aborigines. Shortly after I became member for Kimberley there were five known cases of leprosy in the Derby district. After much correspondence between the various departments and the local road board, the road board resigned in a body as a protest against the inactivity of the department and the Government of the day. Since then many more cases of leprosy have been discovered but to show the hush-hush policy in reference to leprosy and to show that the road board had a genuine grievance, I want to quote some extracts from the correspondence between the department and the road board. Early in that correspondence the Commissioner of Public Health, on the 26th April, 1923, wrote to the Derby Road Board, as follows:—

Leprosy is a disease of very low infectivity, and an extremely small proportion of contacts ever contract the disease and then, generally, only after very prolonged and very close personal association with a leper. In many countries, you are doubtless aware, lepers are not even segregated.

Of course there have been differences of opinion amongst medical practitioners, and so I wish to read an extract from a letter written by the Acting Principal Medical Officer, Dr. Mitchell, in 1927 when the Commissioner for Public Health, Dr. Atkinson, was away on leave. Dr. Mitchell wrote to the road board in this strain—

As you are aware, leprosy is defined by the Health Act as a dangerous infectious disease, and it is not considered reasonable to keep definite cases at Broome for such long periods.

As showing that successive Ministers for Health are influenced by the opinion of their officers, this is what was written by the then Minister for Health, Mr. Latham, in February, 1933, to the Broome Road Board—

I quite agree with you that the discovery of these cases, particularly those in Broome, is disturbing to your Board and the local residents. Nevertheless the statements previously

made by the Commissioner of Public Health in regard to the low infectivity of leprosy are basically correct. However, I agree that some action should be taken with a view to examining the community.

And the present Minister for Health, Mr. Munsie, wrote in a similar strain. Personally I do not agree that this low infectivity theory is correct. Five was the total number of cases ten years ago, but since then, without and systematic examination, 80 definite cases have been transferred to Darwin, two have been discharged as cured and at present there are 46 known cases in this State. So this disease is spreading fast and in ten years the known cases have risen to a total of 133. The only examinations made have been of a casual character by the local doctors at Broome and Derby, and I think at one or two stations which, being on the road, were easily accessible to a visiting medico. Apart from that, there have been no examinations whatever. In 1927 I wrote to the Minister controlling aborigines and pointed out that from my own observations and from information received, the natives along the North-West coast between Broome and Wyndham were reeking with various diseases, and that if the department were not in a position to appoint a medical officer to examine those natives and treat them, there were a couple of beachcombers in the district prepared to administer medicine to the natives free of charge, if the department would supply that medicine. After a couple of months I received a reply from the then Minister controlling aborigines. In his letter he said that from inquiries made by the Chief Protector of Aborigines he was pleased to be able to inform me that I had been misinformed. I took that as being akin to a lot of departmental inquiries, namely a little white-washing. Later I asked the Minister where this information had been received, and he told me the Chief Protector had written to the protector at the Beagle Bay Mission, 90 miles from Broome, and to the supervisor at the Port George Mission. The latter, of course, would have some idea as to the number of natives suffering from disease in this district, but the other gentleman, who made the report to the department, had never been within 700 miles of the district to which I refer. He was without medical knowledge and was the last in the world

the natives would go to if sick. Right through the coastal country where these diseases are coming from, in fact right along that coast, the natives are not in touch with civilisation, except that occasionally they stray inland to some stations in the Derby district. But the majority of the natives that have been collected up to date have been secured through information given by native leper patients in hospital and who, becoming confidential, have reported to the doctor or the matron where other natives suffering from the same disease are to be found. I have related the methods adopted up to date, the methods that will continue until further attention is given to the subject. I want members to realise the serious position emphasised by the increase of leprosy during the last few years, and the further increase that is bound to take place unless the disease is cleaned up. Knowing that the Royal Commissioner's report had been handed to the Government, and a medical practitioner appointed to examine the natives, I expected some further action, until I read in the newspaper that the Commissioner of Public Health, Dr. Atkinson, had said that Dr. Davis—who has been appointed to examine and treat the natives up North—would probably make his headquarters in Perth and would carry out a survey of the natives in the South and South-West. Dr. Atkinson went on to explain that it would be of no use sending Dr. Davis North until the lazarette, to be erected near Derby, was completed. I shall be surprised if the present Minister for Health allows that kind of thing to go on. I could not imagine that that would be agreed to, unless for the purpose of extending the hush-hush policy of the Commissioner of Public Health of the State. We know there are aborigines in other parts of the State, but leprosy has never been heard of in those districts. The Commissioner of Public Health says he is waiting for the building of the lazarette. Anything but practical activity! It does not alter the fact that while we are waiting, the disease is spreading. I hope the Minister will see to it that the medical practitioner who has been appointed to examine the natives of the North does not make a comfortable office for himself in Perth, and does not go around examining the natives in the South

first, but will go where the leprosy is, and get the disease cleaned up. We are going to have the spectacle of three parts of the race being wiped out by leprosy unless it is checked and checked quickly. I am concerned about the people who have to live and work amongst the dread disease. The longer it continues, the greater are the chances of white residents of the North contracting it. One white person in the lazarette at Derby has been suffering from leprosy for years. If one white can catch the disease, others can.

Mr. Thorn: There are three at Wooroloo.

Mr. COVERLEY: Yes. Unfortunately, one of them came from the North.

Hon. C. G. Latham: And one from Queensland.

Mr. COVERLEY: I have as much faith in the report on leprosy of Dr. Mitchell as in that of Dr. Atkinson. I believe that leprosy is a disease that can be contracted by whites.

Hon. C. G. Latham: Certainly.

Mr. COVERLEY: I do not want the disease to spread any further; I want to see it checked as soon as possible. Nobody knows but that the Chief Protector himself might not contract it. He has been travelling in the North in motor cars that had been used for the transport of lepers from one Government station to another, and he might easily contract it and spread it to the metropolitan area. If it appeared in the metropolitan area, some action would quickly be taken. I want action taken at Derby now to prevent any spread. Even the Chief Protector has become concerned about the spread of the disease in recent years. I do not think he realised until lately how it had spread. During my tour I saw enough of leprosy and other diseases amongst the natives to last me a lifetime. If there is any further delay in dealing with the disease, I shall be compelled to invite the Minister for Health to go to the North and see for himself. Then very early action would be taken. Regarding the report of the Royal Commissioner, as I said at the outset, I do not agree with every detail, but in my opinion it is a sound, practical report. The first recommendation is—

The appointment of divisional protectors as permanent officials.

I entirely agree with that because it will entail appointments for three different districts. I do not know that a medi-

cal man is required. There are medical men in different districts who attend to native ailments. We have quite a lot of white settlements in the North without medical services, and I think they are more important than the native race. An intelligent person with some knowledge of the natives, I believe, could control them as protector. The State is too large for one protector to handle. The blacks are peculiar people. In each district, the South-West, the Murchison, the Lower North-West and the Far North, there are different classes of natives. Travelling inspectors have no power to grant permits without reference to Perth, and this means that when persons desire permits, the business is held up until the correspondence is sent to the Chief Protector in Perth. A divisional protector in the North could give a decision and the business could be fixed up at once. I can agree with the Commissioner's recommendation No. 2 provided that No. 1 becomes operative. No. 2 recommendation provides—

A reduction in number of honorary protectors and the abolition of police protectors.

I admit that the police, as a rule, are the prosecutors, and that the tendency of aborigines is to be afraid of the police. I consider that the police have done exceptionally good work and have assisted the department in directions where it would be too expensive to get the work done by other than honorary protectors and police.

No. 3 recommendation reads—

Proclamation of an additional reserve north of Leopold Ranges to be a permanent reserve exclusively for aborigines.

I entirely disagree with that recommendation because I consider that the Aborigines Department have ample reservations in the Kimberley district. If we dole out reserves for aborigines indiscriminately, there will be little or no room left for settlement. The officials are not bad judges of land when they apply for a reservation; they generally select a rather choice spot. The department have nearly 9,000,000 acres of country reserved in the Kimberley district. Those reserves are subject to alteration. The Chief Protector might throw up some of the land to-morrow and take up more the next day. No further reservations should be made until the whole of that coastal country has been examined by the Tropical Adviser and areas

selected for settlement. My belief is that the native races are dying out, and that it will not be many years before they will need none of the reserves. I have not noticed any comment on that aspect in the Royal Commissioner's report, but for some years I have made notes, and my statistics show that for every three births in the Kimberleys during the past seven years, there have been 27 deaths. Members can work out for themselves how long will elapse at that rate before the race becomes extinct. When one is travelling through the North, it is surprising how few picaninnies are seen on the stations or on the Government settlements. An important reason why no further reservations should be granted is that they will definitely hinder settlement. A married man with a family went up the coast in a lugger and selected a block of land. He thought he could make a home and a living for his wife and family. He applied for the block, and in due time discovered that he was camped on a native reserve. He grew a few tons of peanuts and some bananas and did very well for 12 months, but as he could not obtain possession of the land and was hindered in every way, he left the property to a brother. The brother was single, and could afford to battle and dodge the police and others who made things uncomfortable. The brother is still there. He made an agreement with the Aborigines Department to lease the block at £5 a year until such time as he was given instructions to leave. I understand that he is to receive instructions this year and must then leave. I have another instance to show how definitely the progress of settlement is hindered. A half-caste named Willy Reid has been on the coast for the last 12 or 15 years. He bears a very good reputation, pays 20s. in the pound and interferes with nobody. He selected a block 20 miles from one mission and 190 miles from another, but he is on a temporary reserve for aborigines. He cannot get any lease, right or title to the block. This man is a credit to himself and to the community. He has about 220 mango trees, 48 custard apple trees, 300 banana suckers, and some paw-paws, and he grows peanuts and almost every vegetable that can be mentioned.

Mr. Sampson: Do those tropical fruits flourish there?

Mr. COVERLEY: They are doing exceptionally well. This man has never asked

for assistance from the Government or anyone else, and he leads a good white man's life. The important point is that if that man can make a success of it, others could do the same. One of the problems that has been worrying leaders of thought for a long time is, what are we going to do with the half-caste population? In the towns of the North-West coast, the greatest difficulty to be dealt with is that of the half-caste. There seems to be little or no room for them in employment. Most of the station work is done by aborigines. Most of the pearling and pearl-fishing is done by Asiatics. What are we going to do with the half-castes? Here is an opportunity to establish them on the land where they will become decent citizens. If we do the right thing—the department was inaugurated to uplift the aboriginal and half-caste races—we should assist them to get homes where they will settle contentedly. No further reservations should be granted until the Tropical Adviser ascertains what can be done and what areas are required for white settlement. We should not hand over the land holus-bolus to the aboriginal race. The 9,000,000 acres of reserves in the Kimberley district are ample for the time being. I am sure the Minister for Agriculture will agree that, if there are any good areas available, they should be open to settlement by white people. Recommendations Nos. 4 to 9 are practically of a minor nature, except the reference to making existing reserves permanent reserves exclusively for aborigines. They should not be created until such time as investigation is made to determine what portion of the country will be thrown open for selection. Recommendation No. 10 reads—

Accommodation for medical and surgical treatment of natives at all hospitals in districts where natives are located.

I think that a word has been omitted from the recommendation and that it should read "separate accommodation." Recommendation 11 proposes the establishment of a medical clinic at Moola Bulla. I do not agree with that proposal. Probably I have some information which was not available to the Royal Commissioner when he made that recommendation. To establish a clinic at Moola Bulla would cost a fair amount of money, and a doctor holding a degree in tropical diseases is about to be established at a mission 22 miles from Moola Bulla. The doctor is now on

his way, and in a month's time he will be established there. Shortness of money is the old excuse of the Chief Protector, given frequently before the Royal Commission. Here is an opportunity for the Government to save some money, and I hope the Treasurer will see that the money is saved. I entirely disagree with the Royal Commissioner's recommendation No. 21, for the establishment of a special court for the trial of natives. It would be a woeful waste of money to appoint special magistrates and constitute special courts for tribal disputes. I can easily imagine the fun the Minister for Justice would have in looking for someone with a knowledge of tribal grievances and tribal languages, and consequent ability to square up tribal differences. The Commissioner must have been in a generous mood when he made that recommendation. I have now quoted recommendations with which I agree and also those with which I disagree. I am especially pleased that all the slanderous statements regarding cruelty and conditions of slavery have utterly failed to be substantiated by the critics who were so free with their comments before the Commission was appointed. They were, at best, merely exaggerated general statements, no definite charges being made. Further, no definite evidence of slavery or cruelty was given before the Royal Commission. I hope that the critics in question will now be satisfied, and that in future they will pause before making defamatory statements concerning decent people in the North. Finally, I trust the Minister will see that the appointment of a duly qualified medical practitioner for Derby will be expedited in order to check the spread of that loathesome disease leprosy.

Progress reported.

House adjourned at 9.50 p.m.

Legislative Council,

Wednesday, 25th September, 1935.

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

QUESTION—DAIRY PRODUCTS MARKETING BOARD.

Charges on Farm Butter.

HON. H. V. PIESSE asked the Chief Secretary: 1, Do the Government consider it reasonable to charge a levy of 2½d. per lb., plus one-half per cent. administration charge, on farm butter when the makers of farm butter have no possible chance of participating in the premium paid by the Marketing Board? 2, Are the Government aware that the money collected from this source is utilised for the benefit of the South-West factories in paying a premium of 1d. on choice butter? 3, Does the Minister consider the Board is carrying out the wishes of Parliament in making the levy apply to farm butter producers who make less than 20 lbs. of butter per week? 4, Do the Government consider that the administration of the Marketing Board is equitable, and are they aware of the fact that a certain section of the manufacturers who cold-store butter will have such butter sold without any marketing costs? 5, Are the Government aware that the producers of butter fat from York to Denmark, and from Northam to Geraldton, have no direct representation on the Board?

The CHIEF SECRETARY replied: 1, This is governed by Sections 29 and 30 of the Dairy Products Marketing Act. Under these sections the amount of the contribution for stabilisation and administration purposes is determined. 2, No. The premium for choice butter is paid as authorised by Section 41, and is not limited to South-West factories. 3, The Act exempts pro-