

cluding the contributions to be made under it. It would be well if members looked at that Act. Probably we shall have a similar scheme, or a modification of it, when the City Council frame the regulations. I do not think any hon. member would object to a public concern making provision for a superannuation scheme, conditionally on its being a sound scheme and one that did not operate extravagantly against the rate-payers. I think we should give the City Council the opportunity to formulate such a scheme, and then, when it is before us, we can discuss it. I support the second reading of the Bill.

**HON. G. FRASER** (West) [5.9]: Until Mr. Lovekin mentioned that the regulations to be framed under the Bill when it becomes law would come before us, and that we would have an opportunity to criticise them, I was rather dubious about supporting the second reading. Mr. Lovekin referred to the Federal scheme. I have had a lot to do in connection with that and therefore am fairly well acquainted with it. When the regulations to be framed by the City Council come before us, perhaps the knowledge I possess respecting the Federal scheme may be of some value in the discussion. There is one aspect that I hope will not be neglected by the City Council and it relates to single men. In the Federal scheme single men were overlooked, and I hope there will not be a similar omission when the regulations are framed by the City Council. In the Federal scheme provision is made for the wife and children but, by an oversight, there is no provision for the dependants of a single man. Some glaring cases have come under my notice. I know of one particularly of a single employee who was the support of his widowed mother and who had been contributing to the fund for four years. This man was the main support of his mother, and when he died she was not able to get a pension or assistance of any kind. She did not even succeed in getting a refund of the money that was paid into the scheme by her son. That is a bad feature of the Federal Act. There are other aspects that can be referred to, but I will not deal with them at this stage; we shall have an opportunity to speak on the subject again when the regulations come before us. I support the second reading of the Bill.

On motion by Hon. E. H. Harris, debate adjourned.

## BILL—GROUP SETTLEMENT ACT AMENDMENT.

Received from the Assembly and read a first time.

*House adjourned at 5.12 p.m.*

## Legislative Assembly,

*Thursday, 11th October, 1928.*

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

## QUESTIONS (3)—RAILWAYS.

### *Brookton-Armadale Project.*

Mr. SAMPSON asked the Premier: When is it proposed to introduce legislation to authorise the construction of a railway from Brookton to Armadale?

The PREMIER replied: No definite date can be given.

### *Rails and Fastenings, Prices.*

Mr. THOMSON asked the Minister for Works: 1, What price per ton was paid for (a) rails, (b) fastenings, for the Norseman-Salmon Gums railway? 2, What is the price per ton for (a) rails, (b) fastenings recently ordered?

The MINISTER FOR WORKS replied: 1. (a) £9 13s. 7d., (b) £13 4s. 8d., f.o.r. point of loading. These were 45lb. rails and fastenings obtained from the Railway Department. 2, (a) £10 18s. 8d., (b) £15, c.i.f. Fremantle. These are 60lb. rails and fastenings.

Hon. Sir James Mitchell: Were tenders called?

The MINISTER FOR WORKS: Yes.

Hon. Sir James Mitchell: Was that the lowest tender?

The Premier: Yes.

#### *Salmon Gums-Kondinin Survey.*

Mr. THOMSON asked the Minister for Works: 1, How many surveyors are engaged on the proposed Salmon Gums to Kondinin railway? 2, How far from Salmon Gums has the survey proceeded?

The MINISTER FOR WORKS replied: 1, One survey party, which is working westward from Salmon Gums. 2, About 20 miles.

#### **QUESTION—SHEEP DISEASE, INVESTIGATION.**

Mr. BROWN asked the Minister for Agriculture: Will he request Sir Arnold Theiler to furnish to the Government the result of his investigations into the braxy-like disease in sheep that is affecting certain districts in this State?

The MINISTER FOR AGRICULTURE replied: Yes. A request will be forwarded to Sir Arnold Theiler.

#### **BILL—WHEAT BAGS.**

Report of Committee adopted.

#### **BILL—GROUP SETTLEMENT ACT AMENDMENT.**

##### *Third Reading.*

**THE PREMIER** (Hon. P. Collier—Boulder) [4.35] in moving the third reading said: When discussing this Bill on Tuesday I gave an undertaking to the Leader of the Opposition and other members that I would look into a point raised as to the power of the board to write down and assess the value of blocks. Doubt was expressed by members opposite as to whether the Act really contained that power. I am advised by the Crown Solicitor and Parliamentary Draftsman that it does.

Hon. Sir James Mitchell: Then why the deuce did they not put it into clear language?

The PREMIER: I am advised the power is included to give effect to the wishes and policy we were discussing, but in order to make it quite clear, I propose to have an amendment made in another place. I would move the amendment here to-day, but the Standing Orders will not permit of my doing so.

Hon. Sir James Mitchell: You can move to recommit the Bill.

The PREMIER: I thought of that, but under the Standing Orders I cannot recommit it to-day. Consequently I ask the House to allow the Bill to pass the third reading and I shall have an amendment made in another place, which amendment this House will have an opportunity to discuss and deal with when the Bill is returned to us. I should like to indicate the amendment I propose to have inserted in another place. I propose to have inserted after the words "Agricultural Bank" the words "with power to the board in its discretion to write off so much of the expenditure as it may think fit." I am advised that that is only amplifying the power in the Act, but in order to make it clear beyond doubt, I propose to have that amendment made.

Mr. Sampson: Will there be no reference to the Minister at all?

The PREMIER: Absolutely.

Hon. Sir James Mitchell: I do not think that is right.

Hon. G. Taylor: He should exercise some power.

The PREMIER: The Minister should exercise some power, but the amendment is designed to meet the point raised by members on Tuesday evening. As the Bill will be returned to us from another place, I ask the House to pass the third reading on the understanding that the amendment is moved in another place. Let me make it clear that the amendment will meet only the particular point I have mentioned. It does not deal with the principle of what the powers of the board should be. I think that point also was discussed.

Hon. G. Taylor: No, it was the power to write down.

The PREMIER: The view was held that the board would not have the power to write down or, in other words, that it would not have the power to assess the value of the blocks. It was held that the board would have power only to apportion expenditure. The amendment will make clear what is desired. I am advised it is provided for in

the Act of 1925, and that will be realised if the Act is read carefully with this Bill. Anyhow, to place the question beyond doubt, I intend to have the amendment moved in another place. I move—

That the Bill be now read a third time.

**HON. SIR JAMES MITCHELL** (Northam) [4.40]: The amendment will improve the clause. It will make clear that the intention is to give the board power to do more than merely distribute the money that has been spent on groups. The power in the 1925 Act provides for nothing more than that. If £20,000 were spent on 20 blocks—

The Premier: I am advised that is not the position, but that the Managing Trustee of the Bank would have power under the Act to apportion any amount he liked.

**Hon. Sir JAMES MITCHELL**: I do not think that is correct. The first agreement set out the position and then there was an Act that did not alter the agreement and was not intended to alter it; it merely confirmed the agreement. Now another position has arisen and there is to be some writing down. This gives that power. However, it does not set up the method by which the value shall be arrived at. What the Premier suggests now is that he will have an amendment inserted in another place. To my way of thinking another place sometimes passes Bills that it should reject. What will be the position if it passes this Bill without the amendment proposed by the Premier?

The Premier: I think we may rely upon the judgment of another place.

**Mr. Corboy**: Thank God for another place!

**Hon. Sir JAMES MITCHELL**: I am not permitted to reflect upon another place, but it has passed Bills for the Premier through lack of good judgment, if not in bad judgment. The risk we run is that another place might say, "We refuse to accept your amendment and we pass the Bill as it stands." If that were done, we should have to go over the whole business again before the end of the session because I am satisfied that the advice given to the Premier is wrong.

The Premier: I myself have looked into the point and I am sure the power is given now.

**Hon. Sir JAMES MITCHELL**: If the Premier had said he had the opinion of the Minister for Justice, it might have

carried some weight, but a mere layman cannot be expected to advise the House on the interpretation of a clause.

The Premier: I have the opinion of the Crown Solicitor backed by the Minister for Justice.

The Minister for Justice: To say nothing of your own opinion.

The Premier: That is so.

**Hon. Sir JAMES MITCHELL**: At any rate, the risk I have indicated does exist. It will be quite useless and futile to pass an amendment to a Bill making for a board instead of the Managing Trustee, precisely the same provision that already exists.

The Premier: Yes, the only change made by this Bill is to substitute the board for the Managing Trustee of the bank, and I am advised that all the powers we require are in the Act. We merely change from the Managing Trustee to a board of three.

**Hon. G. Taylor**: I cannot find that power in the Act.

**Hon. Sir JAMES MITCHELL**: I tell the Premier his advice is absolutely wrong.

The Premier: Then what am I to do—sack the Crown Law officers?

**Hon. Sir JAMES MITCHELL**: Yes. I think the method by which the value is to be arrived at should be defined in order that we might stop all the expenditure that is going on now to keep the groups afloat until they reach the producing stage.

The Premier: I think we can do that without an amendment and by an announcement of policy.

**Hon. Sir JAMES MITCHELL**: When the Bill is returned to us from another place I hope the Premier will be prepared to do two things—tell us what the policy will be and what the personnel of the board will be. We are substituting a board we do not know for a man we do know.

The Premier: I should be glad to announce the personnel of the board now, but I am not in a position to do it.

**Hon. Sir JAMES MITCHELL**: The Bill will not move quickly in another place, and I hope that when it comes back the Premier will be able to make the announcement.

The Premier: But we cannot set about appointing the board until the Bill passes.

**Hon. Sir JAMES MITCHELL**: The Government could meantime consider the question of personnel. The board are to have extraordinary powers as to writing-down. If the Premier wanted to write off 5s. owed

by anybody in the State, he would have to go to the Executive Council for authority. Under the Bill, the board will be able to act without even the approval of the Minister. In matters of this sort, involving very considerable sums, the Government ought not to delegate their authority to anybody else. The final say should be with the Minister and the Executive Council. The Premier might consider such an amendment. The amount involved is possibly a couple of millions.

The Premier: I think there is a great deal in what you say.

**HON. G. TAYLOR** (Mount Margaret) [4.48]: This matter was debated at length in Committee. I could not find in the Bill the power which the Premier is advised it contains. The Minister for Lands, in introducing the measure, said that it would give power to write-down, or else I do not understand the language. His remarks were as follows:—

I think that in a great many cases the capitalisation has reached a sum upon which a settler could not possibly pay interest and at the same time maintain himself and his family. Having due regard for the interests of the State, the capitalisation must be fixed so that the settler will have an opportunity of winning through and ultimately being released from his liability, and being able to maintain himself and his family. There will of course be some writing down.

That was what the Minister said in support of the Bill, and it convinced me that the parent Act did not give the necessary power. As a layman, however, I bowed to the Premier's statement on Tuesday that the power was in the Act. I looked into the Act again, and came here prepared to make a strong protest against the passage of the third reading. However, as the Premier has intimated his readiness to have the necessary amendment made, I am content to support the third reading.

**MR. THOMSON** (Katanning) [4.50]: I fail to understand why the Bill cannot be recommitted at this stage. I do not approve of sending up to another place legislation with a request that the Council should insert something which we ought to have inserted here.

The Premier: That has often been done. If we discover at this stage that something should be altered, why not ask the Legislative Council to make the alteration? I have confidence in another place.

**MR. THOMSON**: I am pleased to hear that remark, and I hope "Hansard" will duly record it.

Question put and passed.

Bill read a third time.

On further motion by the Premier, Bill transmitted to the Council.

## BILLS (2)—RETURNED FROM THE COUNCIL.

1, Dried Fruits Act Amendment.

Without amendment.

2, Forests Act Amendment.

With amendments.

## ANNUAL ESTIMATES, 1928-29.

*In Committee of Supply.*

Debate resumed from the 9th October, or the Treasurer's Financial Statement and or the Annual Estimates; Mr. Lutey in the Chair.

*Vote—Legislative Council, £1,700:*

**MR. THOMSON** (Katanning) [4.56]: I have had the privilege of taking part in the discussion of quite a number of Budgets, and before proceeding to discuss these Estimates I wish to say that, like so many others, I am pleased that work has been resumed on the waterfront. In yesterday's newspaper I noticed a statement by the Premier which contained the following words:—

When any serious industrial trouble arises there are always those who are ready to rush precipitately into actions that may cause lasting ill-feeling and harm. My long acquaintance with industrial affairs, however, convinced me from the beginning of this dispute that it would be wise for all concerned to explore every avenue of peaceful settlement before any unusual measures were adopted. When such crises arise, much trouble can be averted if only the people affected on either side will preserve their balance and refuse to be stampeded . . .

May I refer the Premier to a statement he made in this House some years ago. He then accused the Country Party of not knowing its own mind. On the 4th August 1921, on page 108 of "Hansard" the Premier, then Leader of the Opposition, is reported as saying:—

There is evidence of the fact that members belonging to the Country Party were not in

a position to say whether they would support the Government after the elections, but only after they had gone down to the executive and received their instructions. That is the plain fact. It demonstrates that the members of this Chamber to whom I have referred are committed to carry out the instructions of this outside body.

I make that quotation in order to refresh the Premier's memory regarding the charges he levelled at a section of this Chamber in 1921. If I may use the expression, chickens do occasionally come home to roost. We have been faced with a crisis affecting the food supplies of the people. The cessation of work on the Fremantle wharves was inflicting serious loss on the whole community; and, to quote the Premier's own words, certainly the Government did preserve their balance. We know that when the Prime Minister appealed to the Premier for a reply to a communication on the subject of the dispute, the head of this State's Government did not consider the matter of sufficient importance to favour Mr. Bruce with an answer. There was brought into being in the city a representative body of men who were desirous of seeing that the essential services of the State were maintained. Despite the fact that they repeatedly sought to interview the Premier in order to discuss the position at Fremantle with him, the Premier refused to receive a deputation from them.

Mr. Panton: Hear, hear!

Mr. THOMSON: I wish to draw the attention of the House to the difference between the attitude of the Premier during the recent strike, and that adopted by the Prime Minister who stated repeatedly that he was quite willing to meet the representatives of Labour in the Eastern States at any time they desired to interview him. On the other hand, in Perth we had a large number of representative citizens who had banded together with a desire only to assist in maintaining essential services, and—

The Premier: Are you sorry that the trouble did not end in a brawl?

Mr. THOMSON: Their desire was to see that the essential services of the State were carried on, and I regret to say that the Premier had no time to interview those gentlemen and discuss the Fremantle position with them.

The Premier: I explained my position in this House.

The Minister for Railways: The Premier was too busy endeavouring to secure a settlement of the dispute.

Mr. THOMSON: Despite the fact that repeated requests were made to him, the Premier would not receive a deputation.

The Premier: Fancy going over this ground again!

Mr. Panton: There is an election coming on!

Mr. THOMSON: The Premier would not give these gentlemen an opportunity to place their views before him.

The Premier: This is most tactful, is it not?

Mr. THOMSON: I am endeavouring to indicate the balance that the Premier showed at this juncture! I am drawing a comparison based on the Premier's statement in the Press in which he said that people should preserve their balance.

The Minister for Justice: Yes, but with what object?

The Premier: Are you sorry that the dispute is settled, and that there has been no brawl?

Mr. THOMSON: I am showing that the Premier did not preserve the balance that we were entitled to expect of him.

The Premier: What a tactful speech!

Mr. THOMSON: The Premier sent a telegram to the Prime Minister asking that the Transport Workers Act should be waived at Fremantle.

Mr. Panton: And Mr. Watson, M.H.R., also sent one.

The Premier: Fancy opening up this subject, now that the dispute is settled!

Mr. THOMSON: The Premier did that, and asked that the Act should be suspended at Fremantle to enable the lumpers to return to work.

The Premier: Good God! What is the object of this?

Mr. THOMSON: I have drawn attention to the Premier's statement in 1921, when he accused the members of the Country Party of going outside Parliament for their instructions, and yet we find that apparently—

Mr. Sleeman: On a point of order. Is the hon. member in order in reading a long statement as he is apparently about to do? Presumably he has his instructions there.

The CHAIRMAN: Order! I am not aware that the hon. member is reading his speech.

The Premier: What tact! What judgment! The dispute has been settled! What beautiful judgment!

The CHAIRMAN: Order!

Mr. THOMSON: I am merely drawing attention to the position. In the opinion of the Premier and his supporters, he adopted good tactics in 1921 when he attacked the Country Party and accused them of having to go outside for their instructions.

The Premier: That was before you were the Leader of the party. Of course, there is no ground for such an attack now you are leader!

Mr. THOMSON: Surely we are entitled to draw a comparison.

The Minister for Justice: A comparison between what?

Mr. THOMSON: Between what has happened recently and what the Premier, when Leader of the Opposition, complained of in 1921.

The Premier: Are you bankrupt of ideas regarding the Estimates? Good God, just touch the Estimates!

Mr. THOMSON: The point is that the Premier would not receive a deputation of representative men of this city—

The Premier: It is a mighty good job I did not! You are sorry there has been a settlement of the dispute.

Mr. THOMSON: Although the Premier could not do so, we find that he was able to attend the recent congress of the Labour Party in this State.

The Premier: And I was highly proud to be able to do so.

Mr. THOMSON: The Premier was entitled to attend that congress.

Mr. Sleeman: Then why are you making all this fuss?

Mr. THOMSON: I am not making any fuss. I am merely drawing attention to a parallel case.

Mr. Clydesdale: What object have you?

Mr. THOMSON: I have an object.

The Premier: It is very obscure.

Mr. THOMSON: I am endeavouring to show that the Premier—

The Premier: You are a most tactful man!

Mr. THOMSON: I am endeavouring to show that while the Premier would not receive a deputation from the business people of the city, he was able to find time to attend the Labour Party's congress, and therefore I maintain that he did not pre-

serve the balance that he himself spoke about.

The Premier: You ask the business people themselves about it to-day!

Mr. THOMSON: The Premier did not preserve the balance that we are entitled to expect of him.

The Minister for Agriculture: Western Australia was the only State in the Commonwealth where no trouble occurred.

The CHAIRMAN: Order! Hon. members must keep order!

The Premier: Fancy asking us to listen to this sort of stuff!

The CHAIRMAN: Order!

Mr. THOMSON: The people of this State were expected to sit down quietly for four weeks.

The Premier: Fancy expecting you to show tact!

Mr. THOMSON: Had action been taken earlier by the Premier, he could have claimed credit for helping in the settlement.

The Premier: I have claimed no credit at all.

Mr. THOMSON: According to the Press statement, the Premier did.

The Premier: I did not do so at all.

Mr. THOMSON: Then I suggest to the Premier that he read the report I refer to. Perhaps he was misreported.

Mr. Panton: What share did you take in settling the dispute?

Mr. THOMSON: Apparently there is another section of the House that can possibly be charged with taking their instructions from an outside body! Apparently that charge can be made, and perhaps with equal justice. It is as well to remember that people who live in glass houses should not throw stones. I am reminding hon. members who sit on the Government side of the House of that position.

The Premier: The Leader of the Opposition spoke for an hour and a half, so we shall have to listen to an hour and three-quarters of this sort of stuff!

Mr. THOMSON: We had to put up with it for three successive years. I suggest that the Premier read some of his speeches in "Hansard."

The Premier: The wisdom of the people will enable them to draw the necessary distinction.

Mr. THOMSON: I can draw a comparison and show the distinction. The disputes committee of the Labour Party advised against

the men registering under the Commonwealth Transport Workers Act.

Mr. Pantou: Where?

Mr. THOMSON: They did that in this State.

Mr. Pantou: They did nothing of the sort.

Mr. THOMSON: That statement appeared in the Press.

The Premier: They did not. What is the object of this?

Mr. THOMSON: I have quoted from the newspaper report.

Mr. Pantou: Why not tell the truth? They did not do anything of the sort.

The Premier: I have not before heard a man so bankrupt of ideas as you are.

Mr. THOMSON: I must commend the Premier and the Minister for Works for having gone to Fremantle to confer with the men and to advise them to return to work. Why did they not take that action four weeks earlier?

The Premier: Would I be in order, Mr. Chairman, in moving that the member for Katanning be no longer heard?

The CHAIRMAN: I must ask hon. members to keep quiet, and then perhaps the hon. member will finish his speech.

Mr. THOMSON: Had the Premier and the Minister for Works taken that action at an earlier stage, it would have been in the interests of the State. In my opinion, the great majority of the workers desired to return to work and that was subsequently proved when the open ballot was taken. If the Premier and other leaders of the Labour movement had advocated the taking of a secret ballot at Fremantle, I honestly believe that a solution of the problem at the waterside would have been reached at a much earlier stage.

The Premier: What purpose are you seeking to serve by opening up this subject, now that the trouble is over? It shows a shocking want of tact and judgment.

The CHAIRMAN: Order!

The Premier: Your remarks stamp you as a brainless person.

The CHAIRMAN: Order! Hon. members must keep order.

The Premier: How can you expect us to keep order, Mr. Chairman, when we have to listen to this sort of stuff?

The CHAIRMAN: Order!

Mr. THOMSON: Had the Premier and others adopted the course I suggest, they

would have saved thousands of pounds to this State.

Mr. Sleeman: Of course, you would be in favour of anything secret!

Mr. THOMSON: If the waterside workers had been given the opportunity to vote at a secret ballot, work would have been resumed much earlier.

Mr. Pantou: Talk about a subject of which you know something!

Mr. THOMSON: Hon. members opposite ask why I refer to this question. I presume hon. members have seen the reports in the newspapers from which it is gathered that the men themselves lost a considerable sum of money in wages. We know that the Fremantle Harbour Trust lost a lot of revenue and that means that the State itself has lost heavily. As the result of the postponement of the wool sales—that is a position that adversely affects the primary producers of this State—the country lost between £40,000 and £50,000. This sort of thing can be treated as a joke by the Premier and others on the Government side of the House, but I am afraid the Premier will find that the position of the State has been seriously affected when he comes to review taxation returns.

The Premier: You are a shockingly stupid creature!

Mr. THOMSON: I am justified in drawing attention to these facts. The Government cannot claim much credit in connection with the regrettable strike that I hope has now terminated.

The Minister for Justice: If we do not claim any credit at all, will you be satisfied?

Mr. THOMSON: I am glad that the waterside workers—

The Premier: Not a bit! You are sorry about it. Your whole diatribe shows that you are sorry the trouble has been settled.

Mr. THOMSON: I am glad that the commonsense of the great majority has prevailed over the foolish militancy of the minority.

The Premier: There are none so foolish as you are.

Mr. THOMSON: I am also pleased that work has been resumed at the waterside, and I hope that in future peace and harmony will prevail.

The Premier: Not at all! You are sorry the thing is over!

Mr. THOMSON: I trust that there will be no further trouble on the waterfront, and if that is the position in future, it will

be in the interests of the waterside workers and workers generally, as well as of the primary producers. I trust the recent strike will be the last we shall have of these recurring troubles at the waterside, and that industrial peace will be preserved there in the future.

The Premier: I have not heard such a mass of stupid statements in my life before.

Mr. THOMSON: Now let me deal with the Budget.

Mr. Panton: Hear, hear!

Mr. THOMSON: The remarks I have had to make regarding the trouble at Fremantle—

The Minister for Justice: I thought you had finished with that subject.

Mr. THOMSON: I intend to point out that the trouble at Fremantle will have a very serious effect on the Budget.

The Premier: Now we will get some light on the subject!

Mr. THOMSON: The strike meant a very serious loss to the State. The Premier states that he refused to interview business people of the city who were interested in seeing that the essential services were maintained.

The Premier: I did not say I refused to meet them.

Mr. THOMSON: Then I will say that the Premier displayed a masterly inactivity that resulted in the people I refer to being unable to wait upon him.

The Premier: Put it that way if you like.

Mr. THOMSON: Though repeated requests were made for a deputation, those people met with a point blank refusal.

The Premier: Are we to have this all over again? We have had it three times already.

Mr. THOMSON: The business people who wished to wait upon the Premier to discuss the position, had no desire to take the places of the men on the wharf. Here is what they stated in the public Press—

It is not desired to supplant the unionists who are prepared to carry on transport and other essential activities in accordance with the Arbitration Court award. But whilst those unionists are refusing to carry on under award conditions, it is necessary that certain work necessary for the maintenance of essential services be carried out by citizens who will return to their ordinary vocations as soon as unionists concerned are prepared to carry out their duties in full accord with the Arbitration Court awards.

The Minister for Agriculture: Those people did not want to see the Premier; they were carrying out their instructions from the Eastern States!

The Minister for Justice: They did not want to see the Premier.

Mr. THOMSON: I do not think the Minister ought to have made that interjection, for we know that he also refused to be interviewed, and referred them to the Premier. He was the Minister in charge of the police, but when appealed to he refused to receive the deputation. The desire of the Essential Services Committee was to meet and confer with the Premier as to the best means of carrying on the essential services of the State. I think one is justified in drawing attention to that, and in condemning the Government for their inactivity. Now we come to the Budget, which will be seriously affected by the financial consequences of the industrial upheaval at Fremantle. I have always been prepared to give credit to those to whom credit is due. It is very much to be regretted that with all the cheap money available for development, and despite the excellent harvest of last year, the good prices ruling for our wheat and wool, the Premier has to budget for a deficit of £94,298. I was one of the few members on this side who in 1926-27, when our balance sheet as presented to us showed a surplus of £28,245, congratulated the Government and the Premier upon having achieved that apparently happy position. I was under the impression we were in for a new era of prosperity. But, alas, that surplus in actuality was nothing but a deficit. Because if the £38,000 that was omitted from the statement—I do not charge the Premier with that, for it was a mistake made in London—had been included in the year's figures, we should have been faced with a deficit instead of a surplus. Last year's figures also proved very disappointing when we found we had a deficit of £26,466. I again desire to take strong exception to the position in which members of the House are placed when discussing the Budget. The Auditor General's report is not available to us. I regret that the Premier is leaving the Chamber, for I have here several of his statements as reported in "Hansard," statements that I wish to quote to him. The Auditor General's report is not available, nor have we the Public Accounts for the year 1927-28.



The Minister for Justice: The Auditor General is not under the control of the Government.

Mr. THOMSON: No, but it is a virtual impossibility for members to give a close scrutiny to the finances of the State when we are asked to pass an amount of £10,317,000, to authorise the spending of that amount, and yet we have not last year's balance sheet before us.

The Minister for Justice: On your contention we would be justified in withholding the Estimates until the Auditor General's report is ready.

Mr. THOMSON: I say I am justified in voicing my protest against the position in which the House finds itself. I am not charging the present Administration alone on this score, for the system has been in operation for many years past. We are entitled to know, as shareholders of any ordinary company would be entitled to know, what the position is. What should we say if we were shareholders in a company and the management submitted to us a proposed expenditure of millions of pounds, but did not submit to us the balance sheet for the previous 12 months? Would any shareholder agree to such a system? Yet we are in exactly that position. Here we are year after year, and every year Parliament is expected to do what really is absurd and farcical. We are supposed to be the custodians of the finances of the State, and there are submitted to us estimates for an expenditure of £10,317,000. Yet we have not before us anything showing how the money we voted last year has been expended. On the 8th November, 1921, the Premier was speaking on the Public Works Committee Bill. He was then on this side of the House, and he expressed certain views. But now that he is in charge of the Treasury benches, he holds a totally different set of views.

Mr. Lindsay: He has some responsibility to carry now.

Mr. THOMSON: What the Premier said on that occasion is reported on page 1544 of "Hansard" for 1921 and reads as follows:—

In addition to referring to the committee new works of an estimated expenditure of £20,000 or over, it is also proposed to refer to the committee the question of the management of the railways, tramways and other public works. This is a very important departure and, in my opinion, a very desirable one. During the

discussion on the Estimates particularly, we have found that members are practically helpless to take action in connection with the financial position of the State. Ministers come down to the House and make their statements in introducing their Estimates, and practically the whole of the Estimates have to be accepted by private members. But if there were in this House three members and in another place two members who, for a considerable time, had sat as members of the Public Works Committee, investigating the management of the different departments and examining witnesses on every side of the question, the House would not then be so much dependent on what I might describe as the partisan statements of Ministers. After all, when a Minister comes down with his Estimates we must remember that he is responsible for framing them and rightly or wrongly, he is going to defend them. The Estimates are largely prepared by the Government officials and influenced no doubt by the Minister, and in many instances they are doubtless reduced very considerably, but once the Estimates are printed and brought to the House, the Ministers will stand by them. The House is in possession of very little information except that which may be vouchsafed to it by the Minister. But if we had in this Chamber three members who have inquired very closely into the management of a particular department, have examined it, and are thoroughly au fait with it, their knowledge and information should be of material assistance to the Chamber as a whole in guiding it to an attitude. For my part, I think the proposed departure should at least be given a trial. I believe I shall not be out of order in briefly referring at this juncture to the finances once again. We have for last month the alarming deficit of £180,000, with a total deficit of more than half-a-million for the four months of the financial year which have expired. As has been stated so often in this Chamber, our deficits are due mainly to the working of our Railway Department . . . . . There is an enormous expenditure every year, which we vote practically in globo; members are, so to speak, in the dark when considering the operations of the railway system, except as regards those minor matters which come under their notice as affecting their constituents, or which they observe on their journeyings over the railway system.

That statement was made by the Premier in 1921. Yet exception is now taken when members feel it to be their duty to speak exactly as the Premier did on that occasion. In view of the great development that is taking place and the great expenditure, one wonders what is going to happen to the finances of the State if we should be unfortunate enough to meet a bad season, if the prices of wheat and wool drop—as there is every indication they may do. Also, we know we have to face the payment of interest that has been placed to revenue in respect of the group

settlements, now that we have agreed to the writing down of the group blocks to a reasonable value. Long ago I termed the Premier, "Lucky Collier." He certainly has been very fortunate indeed since taking possession of the Treasury bench. He was fortunate enough to assume office on the turn of the financial tide. He has been blessed with good seasons; he has enjoyed the generosity of the Federal Government; he has had the advantage of the migration agreement, which provides him with money at one per cent. for five years; and he has had a disabilities grant. His predecessors, the Government led by Sir James Mitchell, received from the Federal Government during their term of office an average annual amount of £588,135. In 1926-27, the present Administration received from the Federal Government £1,153,132 or £569,946 more than the previous Government had in their last year of office. I am quite prepared to admit that the Government applied portion of the disabilities grant to reduce the income tax and £200,000 towards the extinction of the deficit. This year, however, they are also in the happy position of being able to expect from the Federal Government a sum of £809,061. Yet with all that money and with the increased amount they are receiving from the taxpayers, the Premier is budgeting for a deficit of close on £100,000. I am not one of those who may be classified as pessimists, but if the fact of contending that it is time we gave much closer scrutiny to the expenditure of public money—for which, in my opinion, we are not getting value—brings one as a pessimist, I am prepared to accept the title. I should like to know what will be the position of the State if the Financial Agreement is not ratified at the referendum of the people to be taken on the 17th November. If the agreement is not ratified, I shall regard with great anxiety the financial position of the State.

Hon. G. Taylor: I hope it will not be ratified.

Mr. THOMSON: Then if the State has no financial assistance forthcoming from the Federal Government, I can only hope the hon. member will find himself faced with the duty of administering the affairs of the State. Any reduction of taxation has been rendered possible only by grants received from the Federal Government; it has not been made possible by a reduction of State expenditure.

Hon. G. Taylor: I hope the people will reject the Financial Agreement.

Mr. THOMSON: If the agreement is turned down, we shall have cause to view the future with great apprehension. I sincerely hope that the people of Australia, in the interests of the States, will vote in favour of the proposal. If the Financial Agreement is ratified, it will be the first time since Federation that the States have had what may be termed security of tenure in matters of finance between themselves and the Commonwealth.

Hon. G. Taylor: It will be the last financial blow we shall have from the Federal Government.

Mr. THOMSON: The hon. member may blow as he likes; I am dealing with the question as I view it. The Premier is holding in suspense a sum of £800,000 odd, and how that money will be applied depends upon the result of the referendum next month. Consequently we can realise how serious a matter the referendum is for this State. Let me direct attention to the fact that the debt per head of population since the present Government took office has increased from £148 7s. 6d. to £168 16s., an advance of £20 8s. 6d. The Government are collecting revenue to the extent of approximately £26 per head of population, which is the highest amount collected from the people of any State in the Commonwealth. Not only is £26 per head extracted from the people by way of revenue, but our loan expenditure is equal to £10 17s. 2d. per head, or a total expenditure per year of £36 17s. 2d. for every man, woman and child in the State. The financial position demands close attention from this House. A wise man, in his private affairs, makes provision against a rainy day. It seems to me that this State is drifting back to the stage of annual deficits. Let me be quite frank and say that, by reason of many of the administrative acts of the Government and by reason of the restrictive tactics of outside bodies, the State is drifting back to the stage of deficits. Such tactics are retarding progress.

Hon. W. J. George: That is a very serious accusation to make against the Government. It amounts to want of confidence, you know.

Mr. THOMSON: If the hon. member thinks he can command the numbers to carry such a vote, I shall support him. In view of the enormous amount of money

that the Government have had at their command, the Premier should not be budgeting for a deficit. I should like to ask, "Are we getting full value for the large amount of money we are extracting from the people of the State?" I personally have very grave doubts whether we are. Our new railways are costing far too much to construct. That is merely a matter of opinion, of course, because we have no check on the cost.

Hon. W. J. George: In comparison with years ago, they are costing too much.

Mr. THOMSON: When the Salmon Gums-Norseman line was provided for, it was estimated that the cost would be £3,750 per mile. The railway recently authorised by Parliament shows an increased cost for construction of £850 per mile. I am not in a position to say whether our new railways are costing more than they should. We know it is possible they may be completed for less than the estimated cost, but that does not provide an adequate check to ensure that we are getting value for the money expended. It is the policy of the Country Party that tenders should be called for such work so that we might know whether our railways can be constructed for less than £4,600 per mile. The action of the Government in granting the 44-hour working week certainly increased the cost of railway construction.

Mr. Kenneally: Are you opposing that?

Mr. THOMSON: I do oppose it; economically it is unsound. While people in other parts of the world, with whom we have to compete, are working longer hours, surely we are not foolish enough to think we can hold our own by granting a shorter working week!

Mr. Latham: And export our surplus, too.

Mr. Kenneally: So long as we know where the hon. member stands, all right.

Mr. THOMSON: I never hesitate to place my views before the public. I say unhesitatingly that when the 44-hour week was imposed upon the people, it meant a serious loss of wealth to Australia as a whole. It is all nonsense for people like the member for East Perth to contend that as much work can be done in 44 as in 48 hours.

Hon. W. J. George: It never has been, you know.

Mr. Lindsay: Who granted the 44 hours in this State?

Mr. THOMSON: The Government.

Mr. Lindsay: Was it not the Arbitration Court?

Mr. THOMSON: No; it was the result of a ukase issued by the Government. Long service leave was granted by the Government, not in the dying hours of the session, as was thrown up at us when we were discussing the Transport Workers Act of the Commonwealth, but after Parliament had gone into recess. By administrative act, long service leave was granted to the railway men on the eve of the election. I maintain that the granting of such a concession has greatly increased the running costs of our railways and has not been to the benefit of a majority of the men working in the department. This question was put up to me on every platform from which I spoke during the election campaign, and I stated it would have been of greater benefit to the railway workers had they been given a superannuation fund instead of long service leave.

Mr. Withers: They got what they asked for.

Mr. THOMSON: It is all very fine for the hon. member to say they got what they asked for. Quite a large number of the men say they never wanted long service leave and would much sooner have had a superannuation fund. When a railway man is compelled to retire at the age of 60 or 65, what chance has he, after having spent the whole working-period of his life in the department, to make a fresh start?

The Minister for Railways: He is not compelled to retire.

Mr. THOMSON: He is compelled to retire at 65.

The Minister for Railways: No fear he is not. There are men of 70 working on the railways.

Mr. THOMSON: Very few.

The Minister for Railways: Not very few. There are hundreds over 65.

Mr. THOMSON: I am very pleased to hear that.

Mr. Latham: There are no engine-drivers over 70.

The Minister for Railways: We had an engine-driver over 70.

Mr. THOMSON: One?

The Minister for Railways: Yes.

Mr. THOMSON: There may be exceptions.

The Minister for Railways: But such men have to be efficient.

Mr. THOMSON: We know they are compelled to retire—

The Minister for Railways: They are not compelled to retire.

Mr. THOMSON: Instead of granting them long service leave it would have been much better had they been sure of participating in a superannuation fund on their retirement. I maintain that the money expended by way of long service leave would have given better results to the workers had it been applied to the establishment of a superannuation fund. I have met quite a number of railwaymen who have been compelled to take their long service leave, who had no desire to go away or leave their families or spend money they could not afford for this purpose.

Mr. Withers: Is not three months' rest of any benefit to them?

Mr. THOMSON: I admit that three months' rest is possibly of benefit, but that is not the reason why long service leave was granted. The railwaymen get their annual holidays, and they participate in other holidays, the same as do other workers. That was an administrative act of the Government that has led to an increase of railway costs. Let me now refer to one of the restrictions that was brought specially under my notice recently. When we visited the Fremantle harbour, we were shown a very fine electric crane that had been manufactured at the State Implement Works, North Fremantle. It cost £6,500, and its lifting capacity is three tons. By the restrictive action or the domestic rules of the waterside workers, the crane is permitted to lift only 16 cwt.

The Minister for Works: You are wrong. That crane is designed to lift two tons, and now lifts two tons. It is not designed to lift any more than that. Whoever gave you that information was entirely wrong.

Mr. THOMSON: I will accept the Minister's correction. We have spent £6,500 on the construction of a crane, the lifting capacity of which is two tons.

Hon. Sir James Mitchell: I think the Minister is wrong.

Mr. THOMSON: I was told that it was three tons.

The Minister for Works: That is wrong.

Mr. THOMSON: I am only repeating the statement given to me by Harbour Trust officials.

Hon. Sir James Mitchell: I think, however, it is in "Hansard" as three tons.

Mr. THOMSON: I am not going to argue about a mere ton. That is neither here nor there. All that the waterside workers will permit it to lift is 16 cwt.

Mr. A. Wansbrough: The award provides that.

Mr. THOMSON: It is a domestic rule of the union.

The Minister for Works: You are just making a statement.

Mr. THOMSON: That information was supplied to many of us, and our attention was drawn to the fact that the crane had cost £6,500 and that its lifting capacity was three tons. We were informed that it was not allowed to lift more than 16 cwt.

Mr. A. Wansbrough: Owing to the number of men employed. I know what I am talking about.

Mr. THOMSON: I do not think so. Does the hon. member contend that this is in the best interests of the State?

Mr. A. Wansbrough: I did not say anything of the kind.

Mr. THOMSON: Is it in the best interests of the State that we should spend so much money in providing a facility for the unloading of ships when the workers say it shall only lift 16 cwt.?

Mr. A. Wansbrough: That is a matter for the award.

Mr. THOMSON: But it is not common-sense.

Mr. A. Wansbrough: I did not make the award.

Mr. THOMSON: It is no use saying that the President of the Arbitration Court went out of his way to define the weight that the crane should lift, and restricted it to 16 cwt., when it could lift three tons. The hon. member should study economics a little more.

Mr. Lindsay: They do not put into ships' slings what they should.

Mr. THOMSON: This statement was made by members of the Harbour Trust, in whose opinions and views I am prepared to place more credence than in the statements of the hon. member. I have referred to one or two of the administrative acts of the Government which are materially affecting the finances of the State. How can we effect economy and give reasonably cheap working when actions such as I have indicated are being forced upon

the Government? The road to Fremantle, known as the Canning-road, is costing something like £16,000 a mile. On the highest estimate yet submitted we could build three miles of railway for that. Unfortunately we have not before us the Public Accounts for the last financial year or the report of the Auditor-General. Heaven knows how many cases of this kind could be found if we had the facts before us! It is time we had the opportunity closely to scrutinise the financial position, instead of being asked to vote £10,000,000 without knowing how the expenditure was incurred last year. I wish to quote some remarks made by the Premier in 1921, when he was Leader of the Opposition. These will be found in "Hansard," page 119, on the 4th August of that year. The Premier said then—

If it appeared to me that Governments of recent years had been lax in their handling of the finances, I would be wanting in my duty if I did not point it out.

I am adopting exactly the same attitude as did the Premier when on this side of the House. I would be wanting in my duty if I did not point it out. The Premier went on to say—

In the Speech there is no reference whatever, not the slightest hint, to any proposals dealing with the situation. The Premier has told us that when we hear his Budget statements, we will then know the proposals of the Government in regard to the finances . . . . The Premier points out what are the causes of our deficit? They are easily ascertainable by going through the figures. We see where these losses are recurring year after year, the losses on our railways, on our business undertakings, and in other directions. The fact that these losses are continuing year in and year out surely points to the need for some definite proposal to stop the drift and for something being done at once to meet it. It is not sufficient to say, "I cannot help it. It is not our fault. The railways have lost £300,000 and something else has lost a large amount." . . . . The railways ought to say what they can do before the House meets.

What is the position we are placed in today? The Premier continues—

If a business man is running a big business containing a number of large departments, and there is a loss of £10,000 a year in one department or another, it is not sufficient for the manager of such department or departments to say he cannot help those losses, but the directors immediately set about finding a way to prevent those losses.

We are in that position.

If the railways, for instance, are largely responsible for our financial position, something must be done with them . . . . When the Government find themselves confronted with such a situation and are called upon to disperse largely increased amounts, because of higher wages being awarded, they must set about seeing in what manner they can counteract that and balance the situation . . . . If the Minister is involved in an additional expenditure of £10,000, because of increased wages and salaries from which he cannot escape, he has to endeavour to effect economies which will counterbalance this increased expenditure on wages.

That is what the Premier said in 1921, when Leader of the Opposition. Because some of us endeavour to point out these things to the Government, who have had more money thrown at their heads than any other Government, and ask that they should at least square the ledger, we are told they cannot help it because their expenses are so great. They say they are not able to balance the ledger and therefore have to budget for a loss of approximately £100,000. That is not in the interests of the State. Notwithstanding the enormous amount of wealth that is now being produced, and the golden opportunities that face the present Administration, I am justified in drawing attention to the fact that the Government are budgeting for a deficit of approximately £100,000. Our people in the country are producing the wealth and carrying all the burden of taxation and the interest that is being charged against us. We must therefore, view the ever-increasing debt with a considerable amount of concern. This may be one way of financing the State, but when we find such methods as charging up to group settlement and other works the full cost, and taking the interest into revenue, we must agree that we are living in a fool's paradise. According to the latest statements that appeared in the Press, over £7,000,000 has been spent on the groups. I am not in a position to verify that because of the absence of the Public Accounts and the Auditor-General's report. It is stated that there may be a loss of anything up to £5,000,000 and that this amount may have to be written off. It may be a State method of finance to charge up to group settlement the full cost of working, and take into revenue the balance of interest over one per cent., but I am afraid we are close to the time when that system cannot be continued, at all events as it affects the group settlement scheme. Neither you, Mr. Chair-

man, nor I would dream of conducting our own businesses along those lines. This may be considered sound finance from the point of view of the State, but I think it will be very disastrous for whoever is called upon to square the finances later on.

Mr. Panton: I do not think you need worry.

Mr. THOMSON: I am worrying, though not for myself.

Mr. Panton: I mean you need not worry about the man coming in.

Mr. THOMSON: If the present state of affairs continues, he will not be as fortunate on taking office as the present Premier was.

Mr. Panton: How do you make that out?

Mr. THOMSON: An enormous amount of money has been presented to this Government by the Federal Government. The reduction of one-third in income tax is entirely due to the disabilities grant.

Mr. Panton: Are we not entitled to that grant?

Mr. THOMSON: Despite the largely increased revenue and the cheap money available to the Government, instead of being in a position to square the ledger and show a surplus they have to budget for a deficit. Time after time the present Premier, when on this side of the Chamber, charged the last Premier and his Ministers and the party behind them with not knowing their job. We have greater justification for levelling that charge at the Government in power. The general administration is not good. We have heard of the ostrich that buries its head in the sand when it is pursued, and that seems to me to be the policy which the present Government and their supporters would have the people of Western Australia adopt. It is no use waiting until one is right up to the neck in trouble and then making economies. In my own business, if I were not showing a profit I would look into matters much more closely than, apparently, the Government have looked into the affairs of the State. Unfortunately, I am not able to quote the Auditor General's report for the past financial year; but from the report for the previous year let me quote a statement of his showing how we are balancing our ledger. On page 38 of that report it is stated that the expenditure on Public Works salaries—I am glad the Minister for Works is present, since he no doubt is responsible for this—

"is allocated between loan, revenue, and Government Property Sales Fund on a percentage basis approved each year by the Minister." The percentages for 1926-27 work out at 75 charged to loan and Government Property Sales Fund. The Auditor General states that the expenditure on salaries amounted to £88,796. Thus we find that the Minister for Works is responsible for charging £66,734 of these salaries to loan, leaving £22,244 to be charged to revenue. The Auditor General states further—

On the basis approved by the Minister, the procedure has the effect of over-charging the loan and Government Property Sales Fund accounts and under-charging the revenue account.

It is easy to bring our Estimates close to balancing if salaries are charged to loan at the Minister's direction. In that way a highly creditable balance sheet can be produced. However, in my opinion it is a false balance sheet. I have a complaint to make against the Auditor General, and it is that after drawing attention to this matter he should have stated what in his opinion were the correct charges to make to loan, to the Government Property Sales Fund, and to revenue. I am sorry the Premier is not present, but I hope he will be able to give a satisfactory explanation of another matter. When he went to London, he sold the Agent General's residence. In my opinion the previous Premier acted wisely in approving of the purchase of a home for our London representative. As regards the sale, little information has been vouchsafed to us. However, the residence was sold by the present Premier. I have not been able to trace the course of the transaction. Last year's accounts showed a sum of £3,600 in this connection. I should like to know whether that amount went into revenue. The Government, I consider, made a serious blunder in selling the residence; but I shall deal with that aspect when I come to the vote for the London Agency.

Mr. Teesdale: Did not the Agent General suggest the sale?

The Minister for Works: Yes. The upkeep was too expensive.

Mr. THOMSON: The sale was not justified merely because the upkeep was too great for a particular Agent General. Since then a house allowance of £500 has been made to the Agent General.

Hon. W. J. George: There were special circumstances connected with the matter.

Mr. THOMSON: In my opinion the purchase of the residence was wise. I repeat that I would like to know whether the £3,600 went into revenue.

The Minister for Works: The residence was altogether too big.

Mr. Teesdale: It was a matter of ostentation.

The Minister for Works: The house required an army of servants.

Mr. THOMSON: I do not know whether the Minister for Works saw the residence.

The Minister for Works: Yes, I did.

Mr. THOMSON: I went through it, and it did not strike me as an ostentatious establishment. It was not a large house; many families here have larger residences. In any case, it added to the dignity of Western Australia to have an official residence for the Agent General. We now grant that official a house allowance of £500 per annum, which at 10 per cent. represents a capital of £5,000.

Mr. Teesdale: It costs every bob of the allowance. I would not have the job.

Mr. THOMSON: I am not asking the hon. member to take it.

Mr. Latham: But the hon. member would make a good Agent General.

Mr. THOMSON: I have no doubt he would. However, I am dealing with the sale of the residence. Possibly I may be considered daring, but I will inquire why Parliament is not furnished with a report of the activities of the London Agency. The House is asked annually to authorise an expenditure of some £13,000 for the agency, and it is the only department from which no report whatever is received. We are entitled to have reports from the agency. I am quite sure that our present Agent General would be glad to furnish a report of his work. I am also quite sure that that hon. gentleman is doing his best worthily to represent Western Australia in the Motherland, as his predecessors have done.

Mr. Teesdale: There never has been a report from the London Agency.

Mr. THOMSON: Even if that is so, the fact remains that we receive reports from all other departments and from every spending function of the Government. A report was sent out when Sir James Connolly was Agent General. It gave interesting details of the splendid work done. We are entitled

to have such reports. I have raised this question again and again.

The Minister for Works: A great deal of the Agent General's work is confidential, and could not be recorded in reports.

Mr. THOMSON: But a great deal of the work could be reported. The present Government are in a happy position with regard to revenue. In 1923-24, when Sir James Mitchell retired from office, the returns from land tax were £71,449, whereas for the current year the Treasurer estimates £175,000, or an increase of £103,551. He has told us that the farmers will not have to pay more in the way of land tax; but I venture to say that when the next report of the Commissioner of Taxation comes to hand, it will show that the primary producers are paying the major portion of the increase. According to that officer's last report, the agricultural and pastoral industries pay more than the city.

Hon. G. Taylor: What nonsense!

Mr. Lindsay: Quite right.

Mr. THOMSON: Prior to the introduction of the present land tax, the primary producers paid practically no land tax, but paid income tax—they were called upon to pay only one of those two taxes. Now they have to pay not only land tax, but a substantial income tax as well. Last session the Premier gave an assurance that a Bill to amend the Land Tax and Income Tax Assessment would be introduced. I hope the promise will be kept this session. Now that the Premier has joined the ranks of the farmers, he should realise that the imposition of the dual taxes upon the source of income is neither fair nor equitable.

Hon. W. J. George: The land tax is absolutely immoral; the income tax is right.

Mr. THOMSON: The Premier is also budgeting for a considerable increase in stamp duty. In view of the Premier's experience, we had reason to expect a reduction of stamp duty. The Railway Department's revenue he expects to increase by £364,701 as compared with last year. That estimate, I presume, is based on the wheat yield that is forecasted.

*Sitting suspended from 6.15 to 7.30 p.m.*

Mr. THOMSON: I was drawing attention to the optimism of the Premier regarding the anticipated revenue he expects to receive from the Railway Department. I sincerely hope his expectations will be realised. I

assume he has based his estimate on an anticipated increased yield of wheat. In view of the reports we have had recently, I am afraid his estimate indicates that he has been rather optimistic in that respect.

The Premier: I did not arrive at the figures on that basis at all.

Mr. THOMSON: One would naturally expect that the Premier would have adopted that basis for his figures. It is illuminating, however, when we consider the increased revenue the Government expect to obtain. They anticipate getting £175,000 from the land tax. I regret that the Premier was absent for a while during the course of my remarks, because I would have liked him to hear some of his own remarks that I quoted from "Hansard." I quoted those remarks to show that the ideas he voiced when in Opposition coincided with my own views. If he gives effect to the principles he enunciated on that occasion, there will be no need for criticism from that standpoint. I am afraid that he is not giving effect to them. Then the Premier stated that he expected to receive £288,020 from stamp duty. After his own experience, of which he told us in the House, we had hoped for a reduction under that heading. I trust the Premier will fulfil the promise he made to us last year when he said that the Land Tax and Income Tax Assessment Act would be submitted to us this session for review. If he does carry out his promise in that respect, I trust we shall be able to persuade him to agree to a reduction in taxation, and to abolish some of the anomalies that now press heavily upon primary producers. I again reiterate that, in my opinion, despite the fact that the Premier has budgeted for a revenue of practically £10,250,000, the Government should be compelled to exercise the strictest economy. I endorse the remarks of the Leader of the Opposition regarding the Railway Department, and express my deep regret that Colonel Pope has had to retire from the position he has filled with so much satisfaction to the State. He has certainly rendered excellent service and has built up a splendid staff around him. He has shown that he possesses administrative ability and capacity. I think the credit for much of the harmonious relationship that now exists in the Railway Department between the various branches of the service, is largely due to the Commissioner because of his administrative ability. I am sure I am echoing the sentiments of every member

of the House when I say that we are sorry that his health has compelled him to tender his resignation. I trust that when the Government are contemplating the appointment of a new commissioner, due consideration will be given to the men who are in the railway service to-day. The Government preach preference to Western Australian goods, and I hope they will give effect to that policy by giving preference to Western Australian men, provided those men have the necessary experience. It is a matter of common knowledge that when Colonel Pope was chosen for the position of Commissioner, his appointment was looked upon in the nature of an experiment. During his regime, however, happy results have been achieved. Quite a number of economies that were introduced by departmental officers and which considerably reduced the working costs of the Railway Department, have been nullified in consequence of the Government giving away in other directions the benefits derived by this means. I do not propose to say much more. I shall have further opportunities to discuss the various departments when their Estimates are submitted. I take this opportunity to publicly express my appreciation of the excellent services that have been rendered to the State by His Excellency the Governor. Again, I am sure I re-echo the sentiments of every member, when I say that we have all been pleased to hear that His Majesty the King has seen fit to extend the period of Sir William Campion's Governorship for another 12 months. His Excellency has performed great service for this State. He thinks and talks Imperially, and he also talks from what I might describe as the Western Australian point of view. When gentlemen who have held the high and dignified position of Governor of this State return to the Home-land, they invariably become splendid ambassadors for Western Australia. The Governor who held office before the present occupant of the position, is now one of the greatest advocates of Western Australia in the Motherland. I am sure the present Governor, when his time comes to return to England, will be an equally good ambassador for this State as some of his predecessors have proved themselves. I feel that the Government of the State have a very big task imposed upon them. While Opposition members reserve to themselves the right to criticise the administration of the affairs of the



State, a right similar to that exercised so freely by the Premier when he sat in Opposition, in exercising that right we seek merely to do what we conceive to be our duty in the interests of the State and of our electors. No doubt some criticism that has been offered has not proved very acceptable to the Government. Nevertheless, we have our duty to perform and in my humble way since I have been a member of this House, I have always endeavoured to carry out my duty fearlessly and to the best of my ability. While I have taken strong exception to some of the actions of the Government, and shall probably continue to do so, so long as I am a member of the House, I consider exception should not be taken to any criticism we may offer so long as it is fair and just. I maintain that any criticism I have offered has been levelled against the Government in that spirit and has merely been voiced in what I conceive to be the best interests of the State. All I desire is to see that money expended in Western Australia, particularly in view of the handful of taxpayers we have to shoulder that burden, is spent in the wisest manner. I think the people of this State are certainly the heaviest taxed in Australia. Opposition members and, I believe, the Government themselves, are desirous of seeing that we get proper value for money expended. If the Premier replies to the debate, I trust he will deal with some of the subjects that have been mentioned so far. We are entitled to more information regarding the exact amount of the interest saved that has been placed to the credit of Consolidated Revenue, but which, in my opinion, should have been placed to the credit of Suspense Account to meet the great losses that are inevitable in connection with group settlement and other activities. I hope that the Premier's anticipated deficit will not be realised and that the season will be better than we are led to expect at the present time. When he has to submit his next Budget, I hope he will be in the happy position of being able to announce a surplus instead of a deficit.

**MR. STUBBS** (Wagin) [7.42]: Under the Standing Orders, the question before the Committee now can be discussed from Dan to Beersheba. It is not my intention to delay members at any great length with respect to many of the important questions covered by the Budget that the Premier

placed before us, in criticising the position that the people of Western Australia have been faced with during the last 12 months and which, during the present 12 months, will be realised to a still fuller extent. As to the Premier's optimistic estimate that he will finish the financial year with a deficit of under £100,000, I would point out that we have a population of 400,000 and that very few countries in the world realise what we are doing in Western Australia with that handful of people and with the comparatively small amount of money that is raised from them by direct and indirect taxation, coupled with the money that has been legitimately borrowed for expenditure in developing our huge territory. The position that confronts us warrants every hon. member in doing his utmost to safeguard the interests of the State as a whole. I have been a humble unit in the Parliamentary life of the State for nearly 21 years. During the whole of that time I have never tried to establish my name as an orator, nor to put my mark on the statute-book. But I have endeavoured to prove that I am worthy of the confidence that has been placed in me every time I have gone before the electors. The point I desire to make before the people of Western Australia is that I am charged with the duty of endeavouring to watch the legislation that comes before the House each session, whether I sit on the Government side or in Opposition. I want to make my position perfectly clear. I desire to give credit where credit is due, and to criticise where I think criticism is necessary. And all the while I do not care a hang whether I offend or please either the Government or the Opposition if I think one or the other is in the wrong. The present Government have done many things for my constituency and for the industry it represents, have done as much as any other Government that ever sat on the Treasury bench in Western Australia. I say that right here and in the presence of all those members that are in their places. I yield to no man in my desire to give credit where credit is due. But I felt that I joined issue with the Premier when to-night he was interjecting at the member for Katanning (Mr. Thomson). I joined issue with him in many of the statements he made regarding what has taken place during the last few weeks. I am voicing the opinion of 90 per cent. of the people in my constituency when I say the

Premier should have told the men at Fremantle that the law of the land must be obeyed, should have said to them, "Our advice to you is to obey that law. If it is a wrong law, let us amend it." Did the Premier do that?

The Premier: Does the hon. member think it wise to talk about the things that are passed and dead and gone? Surely it is not wise in him to seek to stir up things that have been settled.

Mr. STUBBS: I am not endeavouring to stir up things that have been settled, but I did join issue with the Premier when he was interjecting against the member for Katanning. I am now endeavouring to force home to the Premier that it was justified.

The Premier: What was justified?

Mr. STUBBS: The Premier, as Leader of the State—

The Premier: Are you wise in talking about things that are settled?

Mr. STUBBS: If the Premier will be patient—

The Premier: I did a right thing and a wise thing, and would do it again to-morrow.

Mr. STUBBS: The Premier is a sensible man and—

The Premier: Well, why stir up that kind of thing? Get on to something important, not something that is dead.

Mr. STUBBS: That will not prevent me speaking my mind. This very important subject—

The Premier: It is not now, although it was yesterday.

Mr. STUBBS: If the Premier thought it important a week ago, why did he not take a right stand?

The Premier: I expressed my opinion in this House.

[Mr. Panton took the Chair.]

Mr. STUBBS: Let me inform the Premier that 90 per cent. of the people in my constituency, that stood behind the Premier when he said certain things on a previous occasion, thought he would take the same stand on this occasion. However, he did not do what any man in the country would have expected him to do.

The Premier: Are those men you speak of Country Party men, and do they change just as you have changed?

Mr. STUBBS: The Premier had better keep quiet, or I might say something which, if published, would not be to his credit.

The Premier: I will hit you back if you do.

Mr. STUBBS: You can hit as hard as you like. Not very long ago the Premier accused me, as Chairman of Committees, of having received my honours because I put through Committee a certain amendment—he said I had received my honours from St. George's-terrace.

The Premier: No, I did not say that. I said you were an awful Pooh-Bah, which you were.

Mr. STUBBS: If you want fight, you will get all you want.

The Premier: Go on, go on!

Mr. STUBBS: You will not disturb me. I say candidly that I have often upheld the Premier when lots of things have been said against him; I have upheld him and said he had been fair to every portion of the community.

The Premier: Go on, go on!

Mr. STUBBS: What the Premier now says will not disturb me. I would not have said what I did if he had not used concerning me the language he did a few minutes ago. On many occasions I have eulogised the services he has rendered to the State. But I want to say now he has fallen in the estimation of hundreds of persons in Western Australia because of his weak action regarding the people of Fremantle. That is all I wanted to say. If I am wrong, at all events I do not desire to do the Premier an injustice.

The Premier: You are absolutely wrong.

Mr. STUBBS: I only want the Premier to be fair to those in opposition to him. When he was in Opposition he did not scruple to say things that he knew in his heart were not correct. But because now he is seated in a chair from which he can control the Government, he does not like us to hit back.

The Premier: I have never twisted on the Party.

Mr. STUBBS: I did not twist on the Party. The Party did not do a fair thing to me. I did not twist on them, and the Premier knows it.

The Premier: I have never twisted on my Party.

Mr. STUBBS: I did not twist on the Party.

The Premier: You are a twister now.

Mr. STUBBS: You are making a false statement when you say so.

The CHAIRMAN: Order! Order!

Mr. Thomson: On a point of order. The Premier should withdraw that statement against the hon. member.

The Premier: I said I had never twisted on my Party.

Mr. Thomson: The Premier should withdraw that statement.

The CHAIRMAN: All that the Premier said was, "I did not twist on my Party." Before the hon. member proceeds with his speech, I will ask members to cease from interjecting.

Mr. STUBBS: The Premier has said that I twisted on my party. On that I gave him the lie direct. Will he accept the challenge? If you do not, you stand condemned.

The CHAIRMAN: The hon. member must address the Chair.

Mr. STUBBS: I know the Premier to be a fair man, and I ask him to accept my assurance that in all my life I have not twisted on any party. Will he accept that statement?

The Premier: If I have offended the hon. member, I withdraw anything and everything.

Mr. STUBBS: I accept that. I merely wanted to point out that in my opinion the Premier, who all through my constituency is conceded to be a man of great ability and a great leader, did not rise to the occasion a few weeks ago. If I have done him an injustice by making that statement, I withdraw it, but I still believe it to be true. I have nothing more to say on that subject. I have not gone behind the Premier's back, as lots of men do. I prefer to come before his face and tell him when I think he is wrong, and this is the time and place to say what I think—not on the street corners, but before his face. In the few words I have to say respecting the Budget. I wish to acknowledge that the Government have a very difficult task. They are asked to support hospitals, build schools and houses for school teachers in remote parts of the State, provide police protection, and a score of other things. And they have to do it on a very much restricted revenue. Unfortunately we have no control over the Customs, which brought in an immense amount of revenue to the State 28 years ago. All that has gone from us now. The average working man in Western

Australia is hit very hard, because he is called upon to pay through the Customs a great deal of money for which he does not get value. In my judgment, huge cities like Sydney and Melbourne have been built up at the expense of the taxpayer of Western Australia. After two persons have married, it is of no use their attempting to secure divorce unless they have actionable grounds. I am afraid that we as a State are married to the Commonwealth for all time. It was the worst day's work Western Australia ever did when she agreed to bind herself to the Eastern States. The people of those States have little or no sympathy with us. Very few of them know anything about our difficulties. The Premier has budgeted for a deficit of less than £100,000. I hope he has not based his calculations on a 35,000,000 bushel wheat harvest this year, for if so he has made a grievous error. Through no fault of anybody, not even of the Premier, the season is not going to turn out as good as was expected.

Mr. Griffiths: Can we not blame the Premier?

Mr. STUBBS: He had nothing to do with it, but he must have based his calculations on the carriage of a certain amount of grain over the railways in order to earn him the revenue he expects to receive.

The Premier: I have not considered that question at all.

Mr. STUBBS: It is very good of the Premier to acknowledge that. Then I wonder on what, in framing his Estimates, he based his calculations when budgeting for a £94,000 deficit for this year. I understood that all Treasurers, in budgeting for the year, based their calculations upon the reports of responsible officers as to the amount of money required to carry on the services of the State, and against that set off the amount that would probably be received by way of freights and revenue from other sources. The Premier has acknowledged to-night that in framing his Estimates he did not take into consideration the earnings of the Railway Department.

The Premier: Not a bit.

Mr. STUBBS: So far, so good.

The Premier: I am just wondering how much information you have got from the Railway Department.

Mr. STUBBS: I did not get my information from the Railway Department. I

got my information from whatever brains the Almighty has endowed me with.

The Premier: I am not a fool. I know the arguments and I know that line of argument. I know where information comes from.

Mr. STUBBS: I did not consult any officer in the Railway Department; I have merely consulted my own common sense, and based my remarks upon observations made while travelling through various districts. I have discovered that the present season, unfortunately for the State, is not going to be so good as was expected a few weeks back, owing to a dry spell. Over that the Premier, of course, had no control. In my humble judgment the deficit next June will prove to be greater than that for which the Premier has budgeted. In making that calculation from my own observations, I hope the Premier does not think I am standing here simply to blow off hot air against him or his Government.

The Premier: No; I do not think you have studied the question at all.

Mr. STUBBS: I am sorry the Premier has misunderstood me. Throughout my 20 odd years of Parliamentary life I have endeavoured to be fair, and I shall continue that endeavour so long as I am a member of this Chamber. This is the time and place for any member to speak his mind. When the Estimates are completed there will be no opportunity for us to point out conclusions we have drawn from the Premier's speech and from the returns submitted to us. I was under the impression that the Premier always liked criticism.

The Premier: I do.

Mr. STUBBS: Is my criticism unfair? If it is, will the Premier be good enough to show where it is unfair?

The Premier: It is not unfair; only foolish.

The CHAIRMAN: I think the hon. member had better address himself to the Budget, not to the Premier.

Mr. STUBBS: If you will prevent the Premier from interjecting—

The CHAIRMAN: Order!

Mr. STUBBS: It does not make the slightest difference to me if the Premier does interject, but I ask from you. Mr. Chairman, the same fairness that you extend to other members.

The CHAIRMAN: Order!

Mr. STUBBS: I shall address the Chair always and respect the Chair always, but I also desire protection from the Chair.

The CHAIRMAN: Order! The hon. member must not speak in those terms. He must address himself to the subject before the Chair.

Hon. Sir James Mitchell: The Chairman is included.

The CHAIRMAN: Order!

Mr. STUBBS: I was pointing out that the Premier has budgeted for a deficit of £94,000, and I was desirous of eliciting from him certain information. In my opinion the actual deficit will prove to be very much greater. It is utterly impossible for any private member correctly and intelligently to criticise any of the items in the Budget. In the first place we have not the Auditor-General's report before us. A few weeks ago the Premier was asked when the Auditor-General's report would be available, and his answer, a very logical one, was that the Auditor-General needed a certain number of weeks after the close of the financial year to prepare his report for presentation to Parliament. Consequently no private member, on this side of the House at any rate, is in a position to criticise the various items of expenditure. It is regrettable that the Auditor-General's report is not available. In its absence, however, a member has to proceed with his criticism as best he can, handicapped by the lack of adequate information to assist him. For many years I have been a fairly silent member of the House. In many ways I have been satisfied with the Governments that have held office. I have been sitting in opposition for the last four or five years, and I do not think any member can say that I have wasted the time of the House or filled the pages of "Hansard" with matter that carried no weight or cut no ice. But I have a duty to perform. In the course of 12 or 18 months I shall have to satisfy the electors I represent that I endeavoured to point out things that I considered were not right, things for which the present Government are responsible. At the same time, I hold myself justified in enlogising the Government for actions on their part that have met with my approval. I have no desire to take from the Government any credit they deserve. When we get down to taintacks, however, I have yet to learn that Western Australia is really experiencing a period of prosperity as some

people imagine. We have been living largely on borrowed money for many years. We have embarked on a huge settlement scheme in the South-West that has cost millions of money. Only to-day we have passed a Bill authorising a board to write down sums of money amounting to millions of pounds on group settlement. It makes my blood boil every time I think of the amount of money that has gone west in connection with group settlement. Can anyone close his eyes to the truth? I am not blaming the present Government for it; they are not blameable.

Mr. Teesdale: It is all in the State; it is not lost altogether. You have got a bit of it, you know.

Mr. STUBBS: I have got a bit of it!

Mr. Teesdale: Yes, we all have.

Mr. STUBBS: I do not know what the hon. member is referring to. I certainly have not had any of it.

Mr. Teesdale: You get it every month.

Mr. STUBBS: Never a penny of it was spent in my electorate, if that is what the hon. member is driving at, and never a penny of it went into my pocket.

Mr. Teesdale: I am driving at what you receive every month.

Mr. STUBBS: What an intelligent remark! That comes well from the member for Roebourne. Because the State pays me £600 a year for representing Wagin, is it an appropriate retort to my statement that millions of pounds have gone west in group settlement that I have got a bit of it?

Mr. Teesdale: It is an explanation of where some of it has gone.

Hon. G. Taylor: Where the wasted part has gone?

Mr. STUBBS: The member for Roebourne says that I have some of the group settlement money in my pocket.

Mr. J. H. Smith: What justification have you for saying that?

Mr. Teesdale: I will take my oath it has not gone north, anyhow.

Mr. STUBBS: If members want convincing evidence that expenditure on group settlement has been squandered, they can find it at the Peel Estate.

Mr. Clydesdale: Whom do you blame for that?

Mr. STUBBS: I do not blame the Government, but somebody is to blame. I am not going to carry any of the blame, because I am not responsible for one penny of the expenditure on the Peel Estate groups.

Mr. Teesdale: Is that why you cut out of this party?

Mr. STUBBS: I was told that the value of the firewood to be cut on the Peel Estate would exceed the purchase price, namely, 8s. an acre.

The Premier: Who told you that?

Mr. STUBBS: I was told it on excellent authority, long before the Premier took office.

The Premier: Did you believe it?

Mr. STUBBS: According to the figures it has cost many thousands of pounds, in addition to the revenue received for the firewood, for cutting the trees down and there are hundreds of houses on the Peel Estate empty at the present moment. Who is to blame for that?

Mr. J. H. Smith: The member for South Fremantle!

Mr. STUBBS: I am not carrying any of the blame, anyhow. I cannot see that there is any room for levity. This is a serious matter. If 50 members of this Chamber are prepared to sit quietly and allow that state of affairs to continue, then the State must be heading rapidly towards the precipice. The people who have lent us the money will want interest on it and someone will have to pay the interest. It will not be men like myself who have no money to be taxed on, but someone will have to find interest and sinking fund on all the borrowed money that has gone west.

The Premier: But is not that a bit of "I told you so"? It is so easy to be wise now, you know.

The CHAIRMAN: Order!

Mr. STUBBS: I take it the interjection of the Premier is not pertinent.

The Premier: I think it is pertinent.

Mr. STUBBS: It is a pity more care was not exercised by some responsible person in the expending of that money. It is not my duty to fix the responsibility for the squandering of the money.

The Premier: It is so easy to be wise after the event.

Mr. STUBBS: Yes, but does the average taxpayer of Western Australia realise the amount of money that has gone west in those rotten concerns in the South-West and on the Peel Estate? Does the man in the street realise it, and what it means to the State?

Mr. J. H. Smith: The Country Party will relieve the situation.

Mr. STUBBS: Never mind about the Country Party. The hon. member knows

what I have said is true, that money has been spent in his electorate, that it has "gone west," and will never be recovered.

Mr. J. H. Smith: Not a penny piece, my friend.

Mr. STUBBS: If necessity arises, I can prove that statement.

Mr. J. H. Smith: It will come back ten-fold.

Mr. Thomson: Not in your lifetime.

Mr. J. H. Smith: Yes, it will.

The CHAIRMAN: The member for Nelson must keep order.

Mr. STUBBS: I welcome the firmness of the Government in tackling the matter, and bringing forward a Bill for the relief of a large number of families, who are endeavouring to make good in the groups but who are, at present, carrying too heavy a load.

Mr. Teesdale: Mere vaseline.

Mr. STUBBS: The whole scheme was an experiment. It was known there would be some failures, but I am sure if members had entertained the slightest suspicion that millions of pounds would have been lost, they would not have voted for the original expenditure upon the scheme. I may be playing a lone hand in this matter, but that does not prevent me from speaking my mind whether I please or displease hon. members. My sympathies go out to those who will be responsible for cleaning up the business, for making it possible for the settlers to gain a livelihood, by cutting down the capital cost so that they may have a chance of making good. I understand that in some cases the capital value on 100 acres of land is between £2,000 and £3,000. Responsible officials in the Government service have told me that this is the cost of some of the 100-acre blocks in the South-West.

Mr. J. H. Smith: Under direction for seven years.

Mr. STUBBS: Whose direction?

Mr. J. H. Smith: The direction of the officials.

Mr. STUBBS: It will not matter if it is 10 years. This sum of money has been spent in the South-West on virgin country. It is too great a burden for any family to carry, whether members of it are migrants or Australian-born.

Hon. G. Taylor: Let us try to remedy the matter.

Mr. STUBBS: Those who were responsible for this expenditure are blameworthy.

Mr. Teesdale: Why stress it?

Mr. STUBBS: For years those who are pawns in the game were supposed to swallow everything put before them in the shape of revenue and expenditure. If we do not agree to pass the Estimates, we are considered enemies. I prefer to be considered an enemy for the rest of my life to sitting quietly and carelessly watching the expenditure of public funds.

Mr. J. H. Smith: It is time you woke up.

The CHAIRMAN: Order!

Mr. STUBBS: If the hon. member had awakened a few years ago, he would know now that I am speaking the truth.

Mr. J. H. Smith: You have been the champion right through.

Mr. STUBBS: I have been told many things which I have ascertained afterwards have not been strictly in accordance with the facts. Money has been spent which should not have been spent.

The Premier: Chiefly on the Wagin water supply.

Mr. STUBBS: That is not very kind of the Premier. I had nothing more to do with that work than he had.

Mr. Thomson: Nor the blunders.

Mr. STUBBS: Responsible Government officials spent money there which was not justified.

The Premier: Quite right.

Mr. Withers: They are spending some in the South-West to balance that.

Mr. STUBBS: If the Premier likes to gibe at me for getting money from the Government for the provision of adequate water supplies for the people of Wagin, he is welcome to do so. I am sure he is not sincere, and that to-morrow morning he will come to the conclusion that he was not justified in that gibe. If we do not keep people in the country, how are the big cities, like Perth, Fremantle and other towns along the coast, going to exist?

Mr. J. H. Smith: We are living on group settlement money now.

Mr. STUBBS: I hope the Premier's estimate of a deficit of less than £100,000 will not be exceeded. He has a difficult task to perform in meeting the demands made upon him by his Ministers.

The Premier: By members, not Ministers.

Mr. STUBBS: Members make their demands to Ministers, who pass them on to the Treasurer. He cannot meet all these contingencies without a fair amount of borrowed money. That money must be wisely spent.

Mr. Thomson: That is the proviso.

Mr. STUBBS: My point is that in the past hundreds of thousands of pounds have been wasted.

The Premier: How?

Mr. STUBBS: If my few remarks are accepted in the right spirit by the Government, and they will try to prevent the waste of public money upon unsuccessful schemes, the time of this Chamber will not have been wasted. I hope the season will turn out to be better than it looks in some of the drier parts of the State. If it does, no one will be more pleased than I shall be. I wish to pay this tribute to the Government. Never have I taken a genuine case to them that has been turned down. Why the Premier should throw mud at me across the Chamber, as he has done time after time to-night, I cannot say.

The CHAIRMAN: Order!

[Mr. Lambert took the Chair.]

MR. LINDSAY (Toodyay) [8.25]: I have tried to study the Estimates not only of this year but of past years, but I find them very difficult to understand. We should have the assistance of our Auditor General, who is the servant of Parliament, not of the Government. We are told when we mention these things that we are criticising the Auditor General. We are led to believe that he is solely responsible for the report not being available. I have before me the Public Accounts for last year and the report of the Auditor General upon them. These would have been very interesting documents had we been dealing with last year's Estimates. Unfortunately, although an Act was passed to provide us with the advice of an Auditor General, we are deprived of that advice when we come to discuss the expenditure of this £10,000,000. I intend to use last year's report of the Auditor General to assist me in making a few remarks. That report is dated the 30th June, 1927. It begins as follows:—

The Treasurer's Accounts: The Treasurer's financial returns Nos. 1 to 34 accompanying this report were received in the Audit office in sections between the 26th August and the 26th October, 1927. Before the final copies were issued the Treasurer was advised of any necessary amendments discovered during the course of checking.

It was not possible for the Auditor General to make his report until after he had

received the accounts, which was subsequent to the 26th October, 1927. He winds up his very interesting document with these remarks—

I regret this report could not be presented to Parliament at an earlier date, as was confidently anticipated. Staff changes, claims in respect to Commonwealth aid roads, and information for the Commonwealth which required my certification, affected the position. Considerable time was spent on the two last-mentioned matters at a period of the year when full time should have been devoted to work for the annual report.

He gives reasons why the report was not available to Parliament last year. If it is the usual practice for the report to be given to us after we have discussed the Estimates, it would be advisable to save the cost of printing both the report and the Public Accounts. The documents are of very little use to us after we have discussed the whole question. The Premier has budgeted for a deficit. One of his most remarkable references was to the return from the Income Tax Department. There was a deficiency of £66,403, in the income tax receipts. There was an increase over the previous estimates of £14,940 received under the heading of Dividend Duties. In explaining the reasons for these deficiencies the other night the Premier mentioned that he had been informed by his officials that this was owing to so many people forming themselves into companies, and he further stated that the returns showed an ever-increasing number of individual taxpayers who were forming themselves into companies. If people were doing this in order to evade taxation, one would naturally assume there would be an increase in the dividend duties. The Premier, however, does not expect to get any increase from dividend duties, but a reduction of £14,900. That seems remarkable.

The Premier: That is very easily explained.

Mr. LINDSAY: Everything is easily explained. It is probably quite easy for the Treasurer, who has the assistance of his officials, to explain all these figures.

The Premier: I will give it to you in a word. Last year we got a big return from an estate, and we are not going to get it again this year.

Mr. LINDSAY: The estimated return from dividend duties last year was £310,000. The amount actually received was £324,000. This year the Premier budgets for £310,000 by way of dividend duty, the same amount

as last year. So there must be some other reason besides that mentioned by the Premier. Last year's return from income tax was much below the amount budgeted for by the Premier. Why should these items be so much out as compared with all the other items? In other respects the Premier budgeted very closely to his receipts. He was out by £69,000, but that amount included £66,000 in respect of taxation. According to my experience of vermin taxation, there is something wrong in the department. We have been trying to ascertain what is the return from vermin tax, and varying estimates have been given to us. Just recently I received from the Commissioner of Taxation a letter stating that the tax had produced £49,000, or £15,000 more than any figure previously given. Something is wrong when a department cannot make a closer estimate of the revenue they are to receive. Last year the Premier informed the Chamber that he intended to amend the Land Tax and Income Tax Assessment Act. The promise has not been carried out.

The Premier: When did I say that?

Mr. LINDSAY: The Premier said it in this Chamber by way of interjection, and it is recorded in "Hansard." In his last report the Auditor General draws attention to certain things which, in his opinion, should not have been done, and I intend to refer to one or two of them. It was not until the Treasurer was delivering his Budget that we were informed concerning interest and sinking fund that should have been paid, but were not paid, to the trustees in London during the last two years. The Premier stated that for the year 1926-27 over £150,000 of interest and sinking fund, which normally would have been paid to the trustees, had been held in abeyance on account of the Financial Agreement with the Commonwealth Government. He also said that £350,000 had been similarly retained last year, and that £350,000 would probably be retained this year. Thus the hon. gentleman is building up a fund of about £850,000. I will not say whether it is right or wrong that our statutory obligations should be altered. Sir Edward Clark, one of the Big Four, does not think so.

The Premier: To whom did he say that?

Mr. LINDSAY: To me.

The Premier: I do not think the hon. member is fair in disclosing a private conversa-

tion. I have had conversations with those gentlemen. I think the disclosure most improper.

Mr. LINDSAY: I do not think there was anything private about the conversation.

The Premier: I consider it most improper on the part of the hon. member to disclose conversations he had with those men. I believe they would be the first to resent it.

Mr. LINDSAY: I do not consider there is anything private about it.

The Premier: It is the most improper thing I have ever heard in this House.

Mr. LINDSAY: It was not a private conversation.

The Premier: Disclosing a private conversation is the most improper thing that any member of this House has ever done. You ought to be ashamed of yourself.

The CHAIRMAN: Order! I hope the discussion will not proceed further.

Mr. LINDSAY: Why should I not be permitted to make my speech?

The Premier: It is most improper to disclose a private conversation.

Mr. LINDSAY: That is my funeral.

The Premier: I know it is.

The CHAIRMAN: Order! The member for Toodyay will please proceed.

The Premier: He will be shocked to think that a member of Parliament would do such a thing.

The CHAIRMAN: Order!

Mr. LINDSAY: The Auditor General's report also deals with the migration agreement and shows—we must assume this to be correct—that there has been a gain to revenue of £212,719 from the one per cent. money. It appears that £62,000 of money received under the migration agreement was credited to revenue without justification. Again, on page 10, the Auditor General, dealing with the goldfields water supply loan, says—

After allowing for interest on the advances and other expenses connected with the redemption, a cash surplus of £57,257 2s. 11d. remained, which was credited to revenue.

In other words, that year's revenue benefited to the extent of some £57,000 which in previous years had been paid by the general taxpayer to meet certain loans. Therefore that money should not have been taken into revenue. Next I propose to deal with one of the State trading concerns. The State Accident Insurance Office appears legally in this document, and yet it is a fact



that on two occasions the Government introduced a Bill to make State insurance legal and that on both occasions the measure was defeated. Nevertheless, State insurance is still going on.

The Minister for Works: What would you do with the miners?

Mr. LINDSAY: That question has been debated here already, and the present is not the time to enter into details. However, it would have been perfectly feasible to deal with the miners without illegally carrying on State insurance. Another State trading concern to which I desire to refer is the Implement Works. I am sorry, the member for Fremantle (Mr. Sleeman) is not in his seat, as he usually has a good deal to say on this subject. It might be argued that the Implement Works, like any other business, should in their years of development have been fostered and assisted; but I hold that there is no reason for the existence of any State trading concern unless it is to act as a policeman over a monopoly. The Implement Works, however, have been in existence for many years and still do not pay, notwithstanding that over £120,000 of the original capital has been written off. The removal of that dead weight should have enabled the enterprise to pay its way, but that is not so. The works are showing an estimated loss of over £3,000, the estimated receipts being £160,000 and the estimated expenditure some £163,000. The balance sheet of the works makes no reference to sinking fund. I am not aware that the works are needed. They have not cheapened the cost of machinery to the farmers of Western Australia. There is a high tariff on the import of agricultural machinery, and that tariff has been imposed for the purpose of allowing local enterprise to compete. We know that Western Australian agriculturists pay considerably more for their machinery than do farmers in the Eastern States, from 12½ to 15 per cent. more. Notwithstanding these extremely high prices the State Implement Works fail to show a profit. Unless some advantage is derived from the works, why should the taxpayers put their hands in their pockets to meet the loss on the operations? When one analyses the position, one is astonished by the great increase in revenue and expenditure as the years go on. The revenue for 1918-19 was £5,863,000 and for 1928-29 it is estimated at £10,222,000, nearly doubling in the

course of nine years. As population increases, revenue and expenditure must increase; but our revenue has increased at a much more rapid rate than our population, and so has our loan expenditure. The figures prepared by the Leader of the Opposition show that the revenue received by the Mitchell Government during five years averaged £19 per head of the population, taking the population figure at the end of the term. The figures also show that during the next five years, on the same basis, the revenue was £23 per head of the population. The Mitchell Government in five years of office spent loan funds at the rate of £27 per head of the population, whereas the corresponding figure for the Collier Government is £33. I have referred to the question of vermin taxation. When that subject was discussed previously, we on this side of the Chamber were told that our statements were wrong, and because I did not agree with the assertions of the Minister for Lands I was twitted with calling the Minister a liar. I stated at the time that if the tax were imposed as desired by the Minister, the agriculturists would pay 75 per cent. of the total taxation. Events have proved my statement to be correct. A return of revenue and expenditure in respect of any spending department is necessary at the end of the financial year, in order to enable the Government to determine what rate ought to be struck. We asked for information, but we did not get what we sought. I have figures dealing with the year ended the 30th June, 1928, which show an estimated expenditure of £34,000 odd and an estimated revenue of £32,000. Since then the board have received a letter from the Commissioner of Taxation, dated the 24th August, dealing with this matter, and we find that the amount to be collected for the last financial year was £37,802 from the farmers and £12,035 from the pastoralists, or a total of £49,837 to be paid into the fund for that year. The position is that we shall have a surplus in the fund, and I hold there is no reason why we should take from the people money that we cannot use. We know that the fund has been of advantage to the Government because, prior to the creation of the board, they had to pay, on an average, £3,500 from general revenue for the destruction of dogs. The Public Accounts indicate that, as at the 30th June, 1927, there was a surplus placed

to a trust fund—the Government have the use of the money in the fund, and the fund does not benefit by interest paid on the money in the fund—and that surplus amounted to £22,000. Believing that the expenditure would be something like £34,000 and the revenue £33,000, the Vermin Board left the fund as it was. Now we find the position disclosed in the letter we received from the Commissioner of Taxation. I wish to ask the Minister for Agriculture what he is going to do about it. It is a rather peculiar position. Here is £49,000 not shown in the Revenue Estimates, nor does it appear in any of the details presented to us in connection with the Budget. I do not know where that money should be accounted for in the revenue of the Government. That fund is in credit, and I suppose the money is in a trust fund.

The Minister for Agriculture: Of course it is held in a trust fund.

Mr. LINDSAY: Unless one is a member of the Vermin Board, it is almost impossible to find out how the fund has been operating. In view of the surplus in the fund, I do not know why the Minister is not prepared to do what people have been asking him to carry out for a long time past. They have been asking him to amend the Vermin Act to enable an increased bonus to be paid for the destruction of dogs. The Minister knows that the present bonus of £2 has not been of much use in the agricultural areas because it has not been sufficient to encourage people to go out and destroy dogs. As a result, vermin boards have to tax themselves in order to provide additional funds to augment the bonus of £2, so as to further the effort to keep down the vermin. As the fund is in credit, and in view of the difference between the amounts paid by the agricultural industry and the pastoral industry respectively, the Minister should consider the advisability of amending the Act so as to enable an increased bonus to be paid in the agricultural areas, or else, as we have suggested, to decrease the tax upon the agricultural community proportionately. There is another matter I wish to deal with, and it concerns the new land settlement scheme upon which the Government are about to embark. We are entering upon a land development scheme that will cost a tremendous sum of money. Western Australia probably more than any other country in the world, has adopted a policy of assisting

individual poor men to become farmers. I believe that unless we proceed with this policy carefully, we shall have a fairly large proportion of failures. If we tackle it as I think it should be tackled, we shall have a large proportion of successes. It is unfortunate for Western Australia—I say this although I am a farmer myself—that the Western Australian wheatgrowers are the worst farmers in the world. That is a fact, and I know it to be true. We are pioneers in this industry, and we are mining the soil. Land is cheap; men and machinery are dear. We have a system of gambling. It has been successful, as a general rule, in the past, but in the settlement of the dryer outback areas some better system is required than has been adopted in the past. I have dealt with this subject before, but I regard the matter as being so serious that I believe I am entitled to traverse the subject again. My views can be summed up in a reply I made to Professor Paterson, of the University of Western Australia, who delivered a lecture in my home town on the subject of "How Crops Grow." It was many years ago, but I have not changed my views since then. In proposing a vote of thanks to Professor Paterson I said, "After listening to your lecture, all we have to do is to go home and fallow. Unfortunately, however, your lecture has come too late. I should say that 95 per cent. of us came here with the assistance of the Agricultural Bank and by the methods of farming we have been employing, we have gambled on getting 20 inches of rain and by gambling with our finances, on getting a return of 20 bushels. We have got neither, but we have a load of debt. We have gambled on getting through, and we have to gamble to get out of our difficulties. My advice to you, Professor, is to go back and get the Agricultural Bank Trustees together, lock them up in a room, and take the key away. Tell them how to farm, and when you convince them as to the right methods, let them try to put your scheme into operation." I ask the Ministers concerned to give consideration to this phase. We have had an object lesson this year. Fallow land has stood up to the dry weather fairly well, but many thousands of acres that have been cultivated, will not be stripped this season. It has been a striking lesson, and we who are trying to run the affairs of the country should take heed of it. If I had control of the Agricultural Bank funds, I would not

lend a penny in the outer drier districts unless the farmers securing assistance fallowed their land for the first crop, not for the second crop. I know I am up against the experts on this point. They say, "Look at the nice, rich, loamy soil. We can afford to take a risk." My experience as a farmer is that we should crop correctly the first year. When I say that, I am met with the reply from others who say, "Look at the fine crop we got last year. Why should we not get it again this year?" That is what has been done at Southern Cross and Bullfinch, where they had the biggest yield of any district last year. The yield this year will not be anything like as good. My idea is that if a farmer starts off badly, he has to continue gambling in an effort to get out of his difficulties. Let them start right, and it will be found much easier to continue right. The Minister for Agriculture knows my views, and I hope that the Government, before they commence spending millions of pounds, for which the taxpayers will be responsible, in opening up many miles of agricultural land in the new districts, will devise some system that will make the methods of farming to be adopted there a little more sure than those in vogue elsewhere. I will give the Committee an illustration to lend point to what I mean. Recently a South Australian wheat farmer who has been engaged in the industry all his life, paid a visit of inspection to the whole of our wheat areas. I met him on his return, and asked him what he thought of Western Australia. He replied, "The thing that strikes me as remarkable is not your low wheat yield, but your high wheat yield under the system you have of farming. Another thing that strikes me is that some of the worst farmers I have seen here are South Australians. The reason for that is that they left South Australia 15 or 20 years ago when we were doing then what you are doing to-day." I believe Western Australia can still extend her wheat areas. We have advantageous climatic conditions and a better average rainfall than any other part of Australia. I do not intend to weary members with the details of figures that I have, but if they were to peruse them, they would notice the fluctuations both in respect of rainfall and yields that characterise farming operations in, say, New South Wales. We have nothing to parallel that in Western Australia. Our records show that since 1915 the re-

turns have been almost continuously on the up-grade. That demonstrates that Western Australia has a safe average rainfall; not a high one, but one quite sufficient in an average year to grow a crop of wheat. While I believe Western Australia can continue to extend her wheat areas, I do make an appeal to the Government to devise some better method of farming for the drier areas. I realise the difficulties associated with the commencement of operations in the first year, but I believe those difficulties can be overcome. I want to see that the people, who are to take up land in the newer areas, start right. If they start right, they will continue right. If they start wrongly, it will be difficult for them to change to correct methods. I hope the Government will take this matter into consideration seriously before they proceed much further with their land settlement scheme.

Progress reported.

## **BILL—TOWN PLANNING AND DEVELOPMENT.**

*Second Reading.*

Debate resumed from the 9th October.

**HON. SIR JAMES MITCHELL** (Northam) [8.58]: I understand that the Government have agreed that the Bill shall be referred to a select committee. That being so, there is nothing to gain by discussing it at this stage. I hope the Minister will be extremely careful about the personnel of the select committee, because it is important that the public shall have an opportunity of saying what they care to say in support of, or in objection to, the proposals of the Government, which are fairly far-reaching. I shall not discuss the Bill at all in view of the fact that it is to be referred to a select committee.

Question put and passed.

Bill read a second time.

## **BILL—PROFITTEERING PREVENTION.**

*In Committee.*

Mr. Pantton in the Chair; the Minister for Justice in charge of the Bill.

Clause 1—agreed to.

## Clause 2—Interpretation:

Mr. DAVY: The definition of "commodity" governs the generality of the Bill. "Commodity" is made to embrace every conceivable thing. It even extends beyond the realm of material things and embraces public utilities and services rendered. That will mean railways, tramways, water supplies, the services of doctors, the services of land agents, the services of lawyers. It embraces also all goods, wares and merchandise. There is no thing nor service which the Bill is not intended to cover. Yet the Minister the other night told us it was not proposed to bring in general legislation on the subject.

The Minister for Justice: I said not general legislation that would be in existence for all time.

Mr. DAVY: If by general the Minister means all-embracing, this is the most all-embracing piece of legislation ever attempted to be put on the statute-book. This will cover every article and every service.

The Minister for Justice: Which is referred to in the Bill.

Mr. DAVY: Everything is referred to. There is not any kind of service that could not be brought within the scope of the Bill. The Government are asking us to give them authority to appoint a price-fixing commissioner to deal with any of these things if he likes.

The Minister for Justice: Only if necessary.

Mr. DAVY: The Government are to be the judges of what is necessary. The scope of the Bill is too extraordinarily wide, especially since the Minister said the other night that at the present time there was no need for anything of the kind.

The Minister for Justice: I said the price-fixing Commissioners of a few years ago admitted there was no need for it at the time they made their investigation.

Mr. DAVY: The Minister said he hoped the thing would never be necessary, which inferentially meant it was not necessary at present. I move an amendment—

That from paragraph (b) inclusive, all words to the end of the definition be struck out.

The MINISTER FOR JUSTICE: I cannot agree to the amendment. I did not say there was no necessity for the Bill. Possibly there will be no necessity to use it, for the very effect of having such legisla-

tion will be to deter people from charging excessive prices.

Mr. Davy: Do you say that every community ought to have legislation such as this on its statute-book all the time?

The MINISTER FOR JUSTICE: Yes. If there be sufficient cause for inquiry into unduly high prices, the Government should have the right to cause that inquiry to be made.

Mr. Davy: Do you say there is necessity for such an inquiry at the present time?

The MINISTER FOR JUSTICE: I say that during this year excessive prices have been charged for meat. In certain towns not far distant the price of meat has been considerably lower than in the metropolitan area. In those towns chops have never been more than 11d. per lb., whereas in the metropolitan area 1s. 4d. per lb. has been charged for them. During the year there have been many commodities, particularly bread and meat, the prices charged for which warranted official inquiry.

Mr. Angelo: I have never heard of 1s. 4d. per lb. being charged in the metropolitan area for chops.

The MINISTER FOR JUSTICE: The hon. member was away in the Eastern States.

Mr. Angelo: That was only for a fortnight.

Mr. Sampson: The price dropped when he returned.

The MINISTER FOR JUSTICE: A temporary shortage of stock was made an excuse for the charging of unduly high prices. There was sufficient justification for an increase of 2d. a lb. in the price of meat, but it went up 5d. and 6d. a lb.

Mr. Thomson: Who made the profit?

The MINISTER FOR JUSTICE: The commissioner of prices would be able to make a thorough inquiry and decide who was making the profit?

Mr. Davy: What is excessive profit?

The CHAIRMAN: I cannot allow the Minister to discuss that. There is an amendment before the Committee.

The MINISTER FOR JUSTICE: Something beyond a reasonable return on the capital and labour involved.

The CHAIRMAN: The Minister must not discuss that.

The MINISTER FOR JUSTICE: The Government desire to have legislation that will not debar inquiry into the price of any commodity. It would be no good passing legislation unless we could thoroughly safe-

guard the interests of the community. Evidently the member for West Perth agrees that food and drink for man and animal constitute the most important item.

Mr. Davy: I do not.

The MINISTER FOR JUSTICE: The hon. member does so passively. If he actively disagreed he would move to strike it out also.

Mr. Sampson: He is holding a candle to the devil.

The MINISTER FOR JUSTICE: We are anxious to safeguard the community from any undue exploitation, and I see no reason why any party should seek to limit inquiry to one commodity.

Hon. Sir James Mitchell: What about taxation and a few other trifles?

The MINISTER FOR JUSTICE: This House has direct control over taxation.

Hon. Sir James Mitchell: No fear!

The MINISTER FOR JUSTICE: Well, it is supposed to have control.

The CHAIRMAN: Order! The Minister must confine his remarks to the amendment.

The MINISTER FOR JUSTICE: I am surprised that any member should object to an inquiry that will reveal just what exploitation is taking place. Satisfactory evidence would have to be adduced before the commissioner could act. Why deny the right of the community to inquiry by the Government into various commodities regarding which exploitation is likely?

Hon. Sir James Mitchell: I do not think the Government should poke their noses into business unless there is grave need for it.

The MINISTER FOR JUSTICE: Governments will not poke their noses into things that do not concern them or into trivial matters. All Governments take a reasonable view in administering various statutes.

Mr. Thomson: But you are asking for mighty big powers under this Bill.

The MINISTER FOR JUSTICE: Unless it is necessary, those powers will not be exercised. We do not expect that the commissioner will be a permanent appointee going around to find out whether there is exploitation.

Mr. Lambert: He would be merely an innocent abroad.

Mr. Thomson: He would have to do that to justify his job.

The MINISTER FOR JUSTICE: There will not be a commissioner unless the Government consider inquiry into an actual com-

modity is necessary in the interests of the community.

Mr. Davy: Do you mean he will be a casual on and off?

The MINISTER FOR JUSTICE: Yes.

Mr. Davy: Then you will need a very clever man to do the job.

The MINISTER FOR JUSTICE: We shall need a man able to conduct an inquiry into the price of any commodity.

Mr. Davy: What sort of a man?

The MINISTER FOR JUSTICE: An excellent man; a super man if we can get him.

Mr. Thomson: It is not usual to find such men amongst Government appointees.

The CHAIRMAN: Order! The Minister must confine his remarks to the amendment.

The MINISTER FOR JUSTICE: Members have endorsed the principle of the Bill by passing the second reading, and it should be possible to inquire into the price of any commodity. Take fertiliser: A new firm is starting in that business.

Hon. G. Taylor: Perhaps you have your eye on it.

The MINISTER FOR JUSTICE: No. Two firms have been working in conjunction and their actions have been beneficent, but that may not always be so. Suppose there was an amalgamation of companies that endeavoured to extort unduly high prices as a result of their control of a necessary commodity, without legislation of this kind the Government could not intervene.

Mr. Thomson: A large number of farmers are shareholders in those companies. Do you think they would submit to that?

The MINISTER FOR JUSTICE: The hon. member knows that the man without shares could be exploited for the man with shares.

Mr. Thomson: Increased dividends would not justify an extortionate price.

The MINISTER FOR JUSTICE: I have merely mentioned fertiliser haphazardly. Such extortion would have a tremendous effect on the economic life of the State. Monopolies, combinations and honourable understandings have not been unknown in the past.

Hon. Sir James Mitchell: Combination generally means common sense.

The MINISTER FOR JUSTICE: But when it results in distinct injury to the community, the Government have a right to step in. The same could be said of agricultural implements.

Hon. Sir James Mitchell: If farmers did not like the price of implements, they could go to the State Implement Works.

The MINISTER FOR JUSTICE: Perhaps the State Implement Works could not meet the demand. All we ask is power to inquire when it becomes apparent to the Government that inquiry is necessary. If it is proved that undue prices are being charged—

Mr. Davy: It has not to be proved. You appoint a commissioner who floats off where he likes and puts in a report. There is no proof.

The MINISTER FOR JUSTICE: The hon. member knows the procedure. The commissioner would require proof, just as would a magistrate. The people concerned will have an opportunity to give evidence before the commissioner.

Mr. Davy: Not necessarily.

The MINISTER FOR JUSTICE: The commissioner would not adopt an autocratic and high-handed attitude. He must make a full and efficient inquiry.

The CHAIRMAN: The Minister is getting away from the subject matter before the Chair.

The MINISTER FOR JUSTICE: The powers asked for under this clause should be retained in the Bill. I therefore oppose the amendment.

Hon. G. TAYLOR: These are very wide and sweeping powers. The Minister himself said there was no immediate necessity for the Bill, though that might arise in the future. To-night he said he knew of no commodity except meat that would be affected by the Bill at the moment.

The Minister for Justice: I did not.

Hon. G. TAYLOR: He said he believed there was profiteering in beef and mutton.

The CHAIRMAN: The hon. member is not in order in discussing meat. He must discuss the amendment before the Chair. There is no reference to meat in that.

Hon. G. TAYLOR: I am replying to the Minister's remarks on that point. He is not justified in embodying all these powers in his clause. The power is altogether too sweeping. The Government will have power to institute an inquiry into every article of food and essential commodity. I hope the amendment will be carried.

Mr. LAMBERT: I regret that the member for West Perth should seek by his first effort to make the Bill inoperative. The trading community must recognise either the

principle of competition or of non-competition and a combination of persons who fix prices. The paragraphs in this clause must be allowed to stand until we can deal with effective machinery for the regulation of profiteering. Nine-tenths of persons engaged in trade have entered into associations and business combinations for the fixing of prices.

The Minister for Justice: In whose interests?

Mr. LAMBERT: In the interests of profit making. I know of no combination to fix the price of food or drink, or food for domesticated animals.

Mr. Thomson: There is a standard price for whisky and other drinks.

Mr. LAMBERT: I do know of combinations and associations of persons banded together solely for the fixing of prices and the making of profits. Parliament would not be justified in countenancing anything of that kind.

The CHAIRMAN: I think the hon. member is now discussing commercial trusts.

Mr. LAMBERT: I do not see why food for domesticated animals should be included in the same paragraph as food or drink for man. It is time we controlled the price of coal, firewood, kerosene and other commodities. It is, of course, nearly impossible to ascertain the cost of many of these things. If the member for West Perth had tried to eliminate some of the padding in the clause, he would have served a more useful purpose. We should not give a blank cheque to the commissioner to deal with every commodity, but we should tackle some of the more serious questions that now affect the welfare of the people. It is for us to say to what extent we should allow certain commodities to be dealt with by the commissioner. I venture to say that some members opposite would be startled if they understood the undercurrent which affects prices in Western Australia.

Hon. G. Taylor: The hon. member must be in the know.

Mr. LAMBERT: I am one of the innocents abroad. If we visit some eight or ten different shops in Perth we will frequently find the same commodity being sold at the same price. It would be difficult in some cases for the commissioner to fix prices that would allow a fair profit to traders, in view of the manner in which stock is bought and sold. It is hoped some reasonable attempt

will be made to give effect to this legislation, which is long overdue.

Hon. Sir James Mitchell: We ought to give these people warning before they set up in trade.

Mr. LAMBERT: It is not a mere matter of warning. We should endeavour to get at the manufacturer, and ascertain his working costs.

Mr. Thomson: But his methods might be obsolete.

Mr. LAMBERT: We might allow the manufacturer to get some profit above the fair rate, but—

The CHAIRMAN: The hon. member can deal with that aspect later.

Mr. LAMBERT: Some of the items mentioned—freight and transport, for instance—could not possibly be ascertained by the commissioner, nor would he have any power over them. Then there is the all-embracing reference to public utilities, under which I can visualise the Minister for Railways being summoned before the commissioner to justify the high suburban fares charged by the Railway Department.

Hon. Sir James Mitchell: The Minister's commissioner would be inquiring into the Minister's department.

Mr. LAMBERT: If there is a reasonable chance of the Bill becoming law, should not we restrict it to certain definite articles and utilities and spheres of usefulness? Paragraph (h) is so wide as to be almost meaningless. I have always been against the creation of a public department which is to become of increasing importance to itself, and to build up a bigger organisation, year by year.

The Minister for Justice: That is specially guarded against.

Mr. LAMBERT: I am rather afraid it may occur.

The CHAIRMAN: The hon. member is distinctly out of order. He can discuss that phase on Clauses 5 and 6.

Mr. LAMBERT: We should see that the consumers are protected. While regard should be had to those who are engaged in trade, we ought not to allow any combination of unscrupulous traders to obtain something far above a fair trading profit, as has occurred in many instances.

Miss HOLMAN: I hope the amendment will not be carried. Paragraph (a), referring to food and drink, does not cover half the things that should be controlled

by the law. It is true that paragraphs (b) to (h) give the measure a wide scope, but a wide scope is needed. I hope the South-West will obtain some relief as the result of the passage of the Bill. Coal, articles of clothing, freight and transport are matters particularly applying to the South-West from the aspect of price or cost. Before the Prices Regulation Commission I produced documentary evidence that South-Western residents were overcharged in those respects. For six miles' rail transport they had to pay half as much as the cost of 88 miles' transport from Perth. The railway I refer to was not a Government railway. At one time there was some protection for the South-West through the Arbitration Court, which allowed a maximum increase of 10 per cent. over Perth prices to be charged on articles sold in the South-West. Dungarees, working trousers, boots, methylated spirits and matches would come under the paragraphs proposed to be struck out. A great deal of profiteering goes on in the South-West.

Mr. THOMSON: The Minister's reasons for including these paragraphs prove to me that the paragraphs should be struck out. The Committee are being asked to sign a blank cheque as to various commodities, and this without any need or justification. In his second reading speech the Minister clearly indicated that there was no immediate necessity for the Bill. In the opinion of supporters of the measure, undue profits have been obtained; but there is no allegation of profiteering. The Prices Regulation Commission, of which you, Mr. Chairman, were a member, reported that there was no evidence of excessive profit-making during recent years. The Minister has given no reason why commodities such as those described in this clause should be included within the scope of the Bill. On the other hand, I could advance arguments to show why many of the commodities should be excluded. Indeed, I regret that the member for West Perth did not move also the deletion of paragraph (a).

Mr. Davy: I could not do so, because it would have meant the destruction of the whole Bill.

Mr. THOMSON: That would be wise in the interests of the State. If the Bill is passed, the Minister, should he happen to consider that people are paying too much for their meat, will be able to instruct his commissioner to fix the price at which I

shall sell my stock. The Minister said he wished the commissioner to have as wide powers as possible to carry out these investigations. I do not doubt the Minister's integrity at all, but I would object to giving any Government the power to appoint a commissioner to undertake activities of such a description. I do not regard price-fixing as in the interests of the producer or the consumer. If the Government had been satisfied with a Bill to control monopolies, they would have received general support. I regard some of the paragraphs included under the heading of "commodity" as perfectly ridiculous. For instance, one refers to "any public utility, and in particular, without limiting the generality of this expression, the supply of light, heat and power."

The Minister for Justice: If an individual secured a concession for the supply of gas and then charged enormous prices, would you burke an inquiry?

Mr. Davy: But such charges would be limited by statute, or by some subordinate instrument.

Mr. THOMSON: Of course. The Minister's argument does not cut much ice at all. Then under the heading of "commodity" we have "freights and transport charges." Will the commissioner have power to bring the Railway Department within the scope of his activities?

The Minister for Justice: Of course not. That would be silly.

Mr. THOMSON: Then it must be that the Government intend to absolutely prohibit motor transport on the roads.

The Minister for Justice: Nothing of the kind.

Mr. THOMSON: That will be possible under that particular heading, because under the Bill the commissioner will be able to dictate to a carrier what he may convey and what rates he may charge. Such a proposal will be of no advantage in the country areas.

Mr. DAVY: I did not include paragraph (a) in my amendment because had I done so, it would have meant the end of the Bill, and there was no chance of the Government accepting such an amendment. If we are to have what appears to me to be an evil, I wish to limit that evil as much as possible. The Minister said that the commissioner would carry out his functions in accordance with evidence, but the Bill indicates quite

clearly in a later clause that he need do nothing of the kind.

The CHAIRMAN: Order! The hon. member will be able to deal with that clause when we come to it.

Mr. DAVY: I was merely pointing out that in Clause 16 it is provided that the commissioner may, if he thinks proper, take evidence, but that he shall not be bound by the rules and practice of any court as to procedure or evidence, and may conduct his proceedings as he thinks proper. The commissioner will be an absolute pooh-bah. In view of that, it is essential that the scope of the commissioner's operations shall be extremely limited, and under my amendment he will be limited to considerations affecting "any article of food or drink for man or for any domesticated animal." One of the headings I propose to eliminate, refers to the supply of light, heat and power. That would give the commissioner power to poke his nose into somebody else's business and disclose his methods, and the Government could use the information in competition against that individual. If the Minister would agree to wipe out everything apart from Clauses 13 to 15, I would be willing to agree to the definition of "commodity." I am in favour of legislation that will effectively prohibit people from banding themselves together to fix prices. A proposal to allow a commissioner to poke his nose into other people's business, and to fix prices, represents an evil that can work nothing but ill to the State.

The Minister for Justice: For three or four years the State progressed, although a Prices Regulation Commission was in existence.

Mr. DAVY: But it did not do anyone any good, nor did it result in prices being kept down.

The CHAIRMAN: Order! The hon. member is getting into the habit of making speeches on interjections foreign to the amendment before the Chair. I ask him to confine himself to the amendment.

Mr. DAVY: In view of the fact that the commissioner will be able to poke his nose into other people's business, it is essential that the scope of his activities shall be restricted to the narrowest possible limits.

Mr. BROWN: The only objection I have to the amendment is that it does not go far enough. The hon. member should have moved to strike out the whole of the definition. I regret he did not do that.



The only commodities he proposes to leave in the definition are those ruled by the law of supply and demand. We are told that smaller profits are made when articles are dear than when they are cheap. We frequently hear it said that enormous profits are made in drapery. Yet to an extent all articles of drapery are ruled by the law of supply and demand, just as are many other commodities. Consequently, it will be very hard for the commissioner to determine the prices that shall be charged for those things. For instance, when the price of wool is up, the prices of all woollen articles rise in sympathy, and in the same way the prices of cotton garments are influenced by the cotton market. Some people say that too high a price is charged for the implements turned out at the State Implement Works. Under the Bill it will be perfectly legitimate to hold an inquiry into the prices charged at the State Implement Works, and it may result in the commissioner increasing the prices, for we understand that at present the State Implement Works are operated at a loss. At Pingelly we have a water scheme for which the people have to pay a very high rate despite the fact that nobody at all is using the water from that scheme. If that position were brought before the commissioner, the Minister would be in trouble immediately, for it is a public utility. Again, the Government themselves are profiteering on some water schemes, for those schemes have been constructed with money borrowed from the British Government at 1 per cent. whereas the Government are charging the consumers 5 per cent.

Mr. Angelo: What is the penalty—three months?

Mr. BROWN: I do not know, but I am fully aware that the rock catchment schemes have been constructed with the 1 per cent. money and that the consumers are charged 5 per cent. So there the Government themselves are doing a little profiteering. Apart from that, I do not think there is any profiteering and certainly I do not believe in the Bill. However, the second reading has been passed and so we must now try to make amendments in the measure.

Hon. Sir JAMES MITCHELL: It would be very different if the Minister had shown any necessity for subjecting any of these commodities to inquiry by the commissioner. He has not done anything of the sort. The Minister said something about the high price

recently charged for meat. To a great extent that price was due to the high freight charged on State steamers bringing down cattle from the North and to the fact that the "Kangaroo" did not bring frozen meat from Wyndham. Also the high prices to some extent were due to the heavy railway freight charged on cattle coming down from the Murchison. The commissioner, of course, will have to inquire into some of the commercial activities of the Government. Can it be suggested that because the Government have timber mills and brickworks and implement works, we need not bother about the prices at which timber and bricks and agricultural implements are sold? The only excuse for State trading is the breaking down of monopolies. If the prices of timber or bricks are far too high, would the Minister let those prices remain high? But surely if we are to have price-fixing it can only be in respect of the people's food. It would be absurd to give the Government power to exercise control over everything. Enterprise would be stifled if the Government had the right to send a commissioner to go through a firm's books, investigate the whole ramifications of the business and, notwithstanding that some stock might be dead and wasted, fix the price of articles as he thought fit. What we want is more enterprise and more work for the people. I do not see how the price of imported goods could be controlled.

The Minister for Justice: Only the distribution could be controlled.

Hon. Sir JAMES MITCHELL: All that could be done would be to control the percentage added to the price. It would be impossible to fix the price of tobacco. The price at present is high owing to the heavy duty and the control by the trust, but the trust is not located here.

The Minister for Justice: We could inquire only into the landed cost and the selling price.

Hon. Sir JAMES MITCHELL: That is not worth while inquiring into. The same applies to most imported goods. By no means could the commissioner touch imported goods. All that would be necessary would be to have the goods from the Old Country invoiced at a price to please the importer.

The Minister for Justice: No, the importer has to declare the proper price. The Customs make close inquiry into invoice prices.

Hon. Sir JAMES MITCHELL: The Government ought to be ashamed to bring down a Bill of this kind at this stage, seeing they have increased the tariff at State hotels. Of course the commissioner might be able to reduce that again. The result, however, has been that the tariff at most of the hotels throughout the State has been increased. Fancy the Government adding 20 per cent. to their hotel tariff and now asking the right to fix charges against other people!

The Minister for Justice: The hon. member knows that the price of board and lodging in this State is incomparably smaller than in other States.

The CHAIRMAN: I hope the hon. member is not going to discuss State hotels.

Hon. Sir JAMES MITCHELL: The commissioner can fix the price.

The CHAIRMAN: Not under this clause.

Hon. Sir JAMES MITCHELL: Perhaps not the tariff of State hotels, but of all hotels. The Government cannot deal with other than the food of the people without doing incalculable harm. We had price fixing when it was considered necessary and would have it again if the people were being exploited, but people for the most part can protect themselves except in the matter of food. I do not know that the State should incur the expense of keeping a commissioner inquiring into the price of commodities.

The Minister for Justice: That will not be done.

Hon. Sir JAMES MITCHELL: Then the measure is not needed. A good many appointments have been made by the present Government and I think I shall ask for a return of all appointments made during the last four years carrying salaries of over £400 a year. We do not want any more such appointments. If the Minister is not content to confine the measure to food prices, we should deny him any legislation at all.

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

Ayes	..	..	..	12
Noes	..	..	..	19
				—
Majority against	..			7
				—

## AYES.

Mr. Angelo	Mr. Richardson
Mr. Brown	Mr. Sampson
Mr. Davy	Mr. Taylor
Mr. Lindsay	Mr. Teesdale
Mr. Maley	Mr. Thomson
Sir James Mitchell	Mr. North

(Teller.)

## NOES.

Mr. Cheason	Mr. Marshall
Mr. Clydesdale	Mr. McCallum
Mr. Corboy	Mr. Millington
Mr. Coverley	Mr. Munsie
Mr. Cunningham	Mr. Rowe
Miss Holman	Mr. A. Wansbrough
Mr. Kenneally	Mr. Willcock
Mr. Lambert	Mr. Withers
Mr. Lamond	Mr. Wilson
Mr. Lutey	

(Teller.)

## PAIR.

AYE.	NO.
Mr. J. M. Smith	Mr. Troy

Amendment thus negatived.

Progress reported.

*House adjourned at 10.30 p.m.*

## Legislative Council.

*Tuesday, 16th October, 1928.*

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

### AUDITOR-GENERAL'S REPORT.

THE PRESIDENT: I have received from the Auditor-General, in pursuance of Section 53 of the Audit Act, 1904, the 38th Report for the financial year ended the 30th June, 1928, which I now lay on the Table of the House.