

Legislative Assembly,*Thursday, 1st February, 1917.*

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

PAPERS PRESENTED.

By the Premier: 1, Annual Report of the Trustees of the Public Library, Museum and Art Gallery for the year ended 30th June, 1916. 2, Annual Report of the Public Service Commissioner for the year ended 30th June, 1916.

By the Minister for Railways: Return of crop insurances for the 1915-16 harvest in connection with the settlers under the Industries Assistance Board. [Ordered on motion by the member for Avon (Mr. Harrison).]

By the Honorary Minister: Annual Reports of the Inspector General for the Insane for the year ended 31st December, 1915, and the financial year ended 30th June, 1916.

QUESTION—NEWCASTLE COAL AND GOVERNMENT RAILWAYS.

Mr. A. A. WILSON asked the Minister for Railways: 1, What was the price of Newcastle coal to the Railway Department on 1st December, 1916, 2, What price will the Railway Department have to pay for Newcastle coal under the award given by Judge Edmunds to the coal miners of the Eastern States? 3, Have the Railway Department been notified by the firm supplying them with Newcastle coal of an increase in prices owing to Judge Edmunds' award? If so, how much per ton is the increase?

The MINISTER FOR RAILWAYS replied: 1, 24s. 6d. to 25s. according to pit, at Fremantle. 2, 28s. all pits, at Fremantle. 3, Yes, 3s. to 3s. 6d., according to pit.

QUESTION—BRAN AND POLLARD, SHORTAGE.

Mr. VERYARD asked the Minister for Industries: 1, Is he aware of the serious shortage and consequent high price of bran and pollard for poultry feeding in the metropolitan area? 2, Does he know if it is true that the shortage of bran and pollard exists because these goods are withheld from the markets by a ring formed of millers or produce merchants, or both, to secure higher prices for same? 3, Will he take necessary action immediately to secure prompt supplies for poultry keepers at reasonable prices?

The MINISTER FOR INDUSTRIES replied: 1, Yes. 2, No. The mills have an over-supply of flour, but are short of bran and pollard. These commodities are being imported to the State at a cost of about £7 10s. per ton at Fremantle. 3, It is hoped that Imperial flour orders will be placed with the local millers, in which case the situation will be relieved. All possible steps will be taken to provide an adequate supply of bran and pollard.

QUESTION—LAND AND INCOME TAX RETURN FORMS.

Mr. E. B. JOHNSTON asked the Treasurer: 1, Is he aware that land and income tax return forms have been unobtainable in the country districts until the last few days, despite repeated applications for same at the Treasury offices? 2, In these circumstances, will the Government grant taxpayers a month's extension of time to make their returns, without fine? 3, If not, why not?

The TREASURER replied: 1, The Commissioner of Taxation reports that in view of the Bills before Parliament proposing to amend the income tax laws, the printing of the forms was delayed until the last minute; as soon as they were received from the Government Printer, early in January, they were despatched. One parcel, namely, that for Narrogin, was unfortunately omitted. When Mr. E. B. Johnston telegraphed in the matter, and forms were despatched by first train. 2 and 3, Under the circumstances the Commissioner will grant these taxpayers a month's extension of time without fine.

QUESTION—I.W.W. PROSECUTION.

Hon. P. COLLIER asked the Attorney General: 1, At whose instigation was the recent prosecution of members of the I.W.W. commenced? 2, What part did the Crown Law Department take in the prosecution and conduct of the case? 3, The name of the firm of solicitors who were retained for the preparation and conduct of the case, and by whom were they instructed? 4, What was the cost involved through (a) the Crown Law Department, (b) the Police Department, (c) the firm of solicitors employed, (d) the prosecuting counsel, (e) any other expense incurred by the Government?

The ATTORNEY GENERAL replied: 1, The Police. 2, Solicitors. 3, No firm of solicitors was retained. Mr. Pilkington, K.C., and Mr. Jackson were retained as counsel with the approval of the Federal Law officers. 4, (a) As solicitors, £40 0s. 7d. for typing; (b) approximately £55; (c) there was no firm of solicitors employed; (d) counsel have rendered their account for fees direct to the Commonwealth authorities; (e) witnesses in the police court, £146 15s. 5d.; witnesses and jurors in Supreme Court, £277 14s. 7d.; fares, £28 15s. Note.—An account has been rendered to the Commonwealth authorities amounting to £493 5s. 7d., covering the expenditure incurred under (a) and (e).

QUESTION—WHEAT PURCHASES.
WEEKLY PAYMENTS.

Mr. CARPENTER asked the Minister of Industries: 1, What steps, if any, are taken by the Government to secure weekly payments from millers for wheat supplied as per terms of sale? 2, What rate of interest will be charged to millers in respect of the £50,329 or other sum owing for wheat not paid for according to agreement?

The MINISTER FOR INDUSTRIES replied: 1, Accounts against millers are being satisfactorily reduced. Millers gristed wheat well beyond flour requirements, thereby helping to meet the demand for bran and pollard. If bran and pollard are to be provided locally, millers must be given permission from time to time to grist in this way,

and they cannot be asked to pay for the flour which is secured to the scheme long before they can realise on it. 2, Six per cent. is being charged on £36,148, now outstanding.

[The Deputy Speaker took the Chair.]

BILL—INDUSTRIES ASSISTANCE
ACT AMENDMENT.

Second Reading.

Debate resumed from the 24th January.

Hon. W. D. JOHNSON (Guildford) [4.42]: The Minister, in introducing the Bill, correctly explained that in any new departure, such as the establishment of a board to assist the industries of the State, it is necessary to gain experience as one goes along, with the result that the original Bill establishing the board and laying down its functions may not, after experience, fulfil all that Parliament intended it should. That has proved to be the case so far as the Industries Assistance Board are concerned. Some of the amendments are far-reaching, and no doubt in Committee hon. members will gain further information from the Minister. I notice that the Minister is departing from the procedure outlined in the principal Act, which was practically placed under the control of the Treasurer and administered by the Minister for Lands and Agriculture. I am prepared to admit that this is not a good method of administration. It is not only apt to cause a difference of opinion amongst Ministers in regard to the administration, but it is apt to cause friction between officers of the two departments.

The Minister for Railways: There is no Minister mentioned.

Hon. W. D. JOHNSON: The matter is practically under the control of the Treasurer.

The Minister for Railways: The Treasurer is mentioned.

Hon. W. D. JOHNSON: At any rate, I do not believe in the principle. To deal with land matters and the question of the development of agriculture, there are expert officers in the Lands and Agricultural Departments, the Minister has a close knowledge

of their doings, and they are on tap on every occasion to advise him. It naturally follows, therefore, that the administration will be under the Minister. At the same time, there was a special reason in this measure for the Treasury to keep a close touch upon it, and that was, as we know from experience in agricultural matters, that despite the efforts of the Minister the expenditure is always excessed. There is not any Minister who has been able to control the Lands and Agricultural Departments in the way of expenditure. It always seemed to get out of hand. Although during the last few years great reductions have been made, nevertheless it is generally admitted that those two departments do not exercise the same care in regard to expenditure as obtains in other departments. The circumstance is due to the fact that the two departments come closely in contact with members of Parliament. They are associated with an industry which, for a number of years, had a great many difficulties to overcome; and those difficulties have been transferred from the settlers to members of Parliament, and the members of Parliament have interviewed Ministers and departmental heads on every possible occasion with a view to obtaining some relief. The result has been a tendency always to extend assistance and consideration, with the further result that the expenditure becomes excessive relatively to the carrying capacity of the State. Again, our experience of the seed wheat board was most unsatisfactory; and, to go further back, the accounts for the importation of stock have never been satisfactorily arranged. In connection with all these matters losses have been incurred, and there does not seem to be the possibility in this branch of the Government service of the same control as is exercised in other branches. In this way the expenditure becomes excessive, and the prospects of recoup to the State are not as good as might be desired. Consequently, the Treasurer was right in saying that in connection with a huge expenditure of this nature it was essential, in the interests of economy and sound finance, that the expert financial advisers of the Government should be directly connected with the scheme to allow of their keeping a check on any tendency to extrava-

gance in the way of advances. I am still of the opinion, however, that dual control, while it may effect a closer control over expenditure, is apt to cause differences of opinion, which are irritating to the administration and productive of delays that are easily misunderstood by the public. I am not prepared to oppose the alteration. Possibly the delays which have given rise to public criticism will be overcome by the direct control of the Minister. That hon. gentleman, no doubt, will contend that the Treasurer, having control of the purse, still exercises an influence over the expenditure, but the fact remains that the Treasurer cannot exercise such influence as he would have possessed had the measure remained as originally drafted in this Chamber. While I am prepared to support the suggested alteration, I do not view it with a great deal of satisfaction. Weighing the whole matter in the balance, I think that possibly the amendment is justified. I appeal to the Minister and to the Treasurer to realise that the State is still incurring enormous expenditure in connection with the Industries Assistance Board. The Minister embarked on a policy of decentralisation by establishing country agencies. In my opinion, that is an utterly unwise move. As Minister I decided to close down a number of the country agencies, because the State was paying officers who were doing little or no good for the agricultural industry and were of little use to the general public. But the Minister, although placed on the Treasury bench for the purpose of curtailing expenditure—which is, indeed, the only justification for a change of Government—has increased the cost of administration enormously.

The Minister for Works: You are quite wrong.

Hon. W. D. JOHNSON: The Minister's denial is useless, because the Estimates prove my statement. Again, there is not now that check over the expenditure of the Industries Assistance Board which previously obtained. While it may be urged that a centralised office is apt to misunderstand the requirements of the farmer and to delay matters which should be expedited, so causing actual loss as well as irritation, still it must be borne in mind that in a big affair of this kind the only means of keeping effective

control of the purse strings is to have but one avenue for authorising expenditure. That is not so to-day. It may be news to the Treasurer that quite a number of officials are now authorised to expend money on behalf of the Industries Assistance Board. That state of affairs, which is well known throughout the agricultural districts, is simply deplorable. In the country it is said that the board has a pay day. On a certain day in the month the farmer stays in because the inspector is coming, and then the farmer gets his pay. The inspector simply asks the farmers what they want, and he has authority to write out an order for money, which is as good as a cheque.

The Minister for Railways: It is not so easy to obtain money.

Hon. W. D. JOHNSON: The fact remains that what I state takes place. Let me give one illustration. The Press took good care to advertise all the weaknesses of the previous Administration, while giving no credit for any successes. I have never looked to the Press for credit; I have been able to get through without the assistance of the Press, which the Minister for Railways cannot say. To-day, however, the Press is absolutely silent regarding the administration of the Industries Assistance Board.

Mr. Thomson: You do not mean to say, surely, that your administration was a success?

Hon. W. D. JOHNSON: While we did not give the farmers all they wanted, we exercised some consideration for the finances of the State, and did not distribute money as lavishly as it is being distributed to-day. The present administration may be more satisfactory to the farmer, but it cannot be satisfactory to the public. However, to give my illustration. I know a farmer who employed a sort of emergency man on his place—a man he wanted only for a little time. On pay day he happened to mention to the inspector that he required part of his payment to pay an employee. Thereupon he was informed, "There is no need for you to pay that man; the State will do that." The farmer replied, "But the State did not authorise the employment of the man." The inspector said, "That does not matter; the State will pay the wages if you are satisfied with the man's work." And the State did

pay those wages. Wages are paid by the Industries Assistance Board as authorised by the Act. But the State cannot go on paying wages under such conditions. It was one set principle of the previous Government that no wages should be paid unless the employment had been previously authorised. The object was to have some check. It is all very fine to pay wages when the farmer himself is not fully employed. There are to-day Industries Assistance Board farmers who feel justified in lying in bed until nine o'clock in the morning, while they have a man employed feeding the horses and so forth.

The Minister for Railways: Name one farmer who lies in bed until nine o'clock.

Hon. W. D. JOHNSON: The Minister knows it as well as I do.

The Minister for Railways: I do not know it.

Hon. W. D. JOHNSON: There are members on the cross benches who know it equally well. I do not assert that lying abed until nine o'clock is a general custom in the farming industry; but I say, and say deliberately, that there are farmers to-day who are not working the hours they worked previously, simply because they know that they can receive their "wages" just the same. The day of settlement must come, and when it arrives the State will lose, while the individual, having had a particularly good time, will go out. It is all very fine to pander to the agricultural industry by lavish expenditure in all directions, by lowering railway freights, reducing land rents, and so forth. But it has to be realised that the State cannot go on doing these things indefinitely. One need only look at the revenue returns to grasp that. Our deficiency will soon reach the enormous figure of two millions sterling. Surely it is time we looked to the expenditure which the Industries Assistance Board are incurring week in, week out. I know that assistance is necessary, but there was no justification for liberalising the payments after the difficulties of the drought had been overcome. It was those difficulties that led to the passing of the Industries Assistance Act and the establishment of the board. I am not satisfied that the present Ministerial head is exercising suffi-

cient control over the board's expenditure, and for that reason I trust the Treasurer will now and again give an eye to the amount of money drawn by the Minister for assistance to farmers. Another reason for closely examining this measure is the fact that the scope of the original Act is being extended. Its scope is practically unlimited to-day. Originally, the measure was closely restricted. Experience showed that certain other little things had to be provided. The measure was amended accordingly, and the functions of the board were extended. Now, however, all limitation appears to have been removed, and the board can advance for practically any purpose whatever. The board's functions may absolutely overlap those of the Agricultural Bank. The board may advance money for exactly the same purposes as those served by the bank. The bank's operations are limited. It cannot advance for purposes outside the scope of its Act, and consequently, it was not able to assist farmers by supplies of seed wheat and fertiliser. The Industries Assistance Board was established to advance those necessities which the Agricultural Bank could not furnish. This Bill, however, proposes to widen the scope of the board's operations until they will altogether overlap the operations of the Agricultural Bank. The bank is such a sound institution because it advances only when perfectly satisfied with the security. With the board, the security is often very doubtful, and is, indeed, a secondary consideration. The board's first consideration is to keep the settler on his land and producing. The House must consider whether it is wise to give the board unlimited scope, and thus possibly interfere with the functions, duties, and responsibilities which should be absolutely restricted to the bank. I do not think there is any other matter which is worthy of attention at this stage. There are one or two matters which the Minister will have to explain when the Bill is in Committee, and a number of amendments which are essential will have to be moved. The Minister, in my opinion, is inclined to go too far in one or two matters. Instead of trying to limit the scope of the Industries Assistance Board and endeavouring to close it up

as soon as possible, he seems to be doing his utmost to extend its functions, and he is practically inviting the Board to continue indefinitely. As soon as we start extending the functions of the Board, we are increasing the difficulties which will have to be faced when we want to wind it up. Parliament thought that the Board's existence would be brought to an end in a year or two's time, but I cannot see that we can very well do that inside five years. Agricultural interests, as represented in Parliament at the present time, will take good care to see that the Board will continue to live until the farmer is in a much better position than he finds himself in to-day, and I fail to see how the farmer is going to get out of his difficulties inside five years.

Mr. WILLMOTT (Nelson) [54]: Having listened to the remarks of the Minister for Industries and the member for Guildford I have arrived at the conclusion that both hon. gentlemen seem to be of the one opinion, that the necessity exists for an amendment of the old Act. The member for Guildford certainly touched on a weak spot when he referred to the growing expenditure of certain departments. If that extra expenditure is absolutely necessary, well and good. Regarding the appointment of inspectors, if the right men have been chosen, then the idea is a good one. It is much better to see what these people's wants actually are, and attend to them on the farm than in the head office. The member for Guildford must admit that nine-tenths of the trouble he had with the Industries Assistance Board was caused by misunderstandings between the head office and the people on the farms, and if the inspector can eliminate that even at a slightly increased cost the step is certainly in the right direction.

Hon. W. D. Johnson: If you can limit it to slightly increased cost.

Mr. WILLMOTT: Of course everything depends on the inspector. I also agree that the Minister for Industries should have full control of these departments. Dual control is fatal. I am surprised to hear that certain farmers have been in the habit of lying in bed until 9 o'clock in the morning. I hope the inspectors will get them up a little bit

earlier, because the Industries Assistance Board was not brought into existence to help people who are not prepared to help themselves. I hope, however, that the member for Guildford has been misinformed. If we pay attention to the remarks of some people we must, of course, come to the conclusion that farmers never do anything and generally have a good time.

Mr. Underwood: Did they not take my advice?

Mr. WILLMOTT: The advice which the hon. member gave to the farmers of the State was most offensive, and I am sure he has regretted it ever since.

Mr. Underwood: They do not like work.

Mr. WILLMOTT: Who likes work? The man who says he likes work is not telling the truth. We work with an end in view. What is that end? To do our duty by our fellow citizens and our families and ourselves. If this Bill can do anything to assist that section of the community which has had a bad time, not only through the seasons, but because of the war and other reasons, we should not hesitate to pass it, and continue the existence of the Board for even the next five years, if that should be necessary.

Hon. W. C. ANGWIN (North-East Fremantle) [5.10]: The statement of the Minister, that it is not proposed to close down the operations of the Industries Assistance Board for the next five years, will lead many people to suppose that greater consideration is being shown to the farmers than has been the case in the past. I am confident that many farmers now under the Board, would remain there all their lives if the Board were in perpetual existence. There is no objection, so far as I am concerned, to giving the Government power to render every assistance possible, not only to the farmer, but to every other industry in Western Australia, if such assistance will be of advantage to the State. But it is the duty of the Government to see that the revenue is protected. Statements, such as the one I am about to read, coming from the Minister for Industries, shows that it is necessary that those who are in Parliament should be alive to the position and see that the Government controlling the finances of the State for the time being, should be compelled to

be sure that it is their duty to protect the finances. A man wrote to the newspaper, complaining bitterly of the action of the Government in connection with the present Industries Assistance Board. We see, therefore, that there are some complaints even now.

Hon. W. D. Johnson: Most of them are suppressed by the newspapers.

Hon. W. C. ANGWIN: I remember reading a little anecdote in the *Bulletin* lately, which I think is worth repeating here. A bishop was addressing a Sunday school, and he took for his subject the Flood. He pointed out to the children that it rained 40 days and 40 nights, and after he had finished he asked if any child present, who did not thoroughly understand what had been told him, would like to ask a question. Presently a little boy held up his hand and said, "You stated, sir, that it rained 40 days and 40 nights." "Yes, I did," was the answer. "Well, sir, were the cookies satisfied then?" was what the boy asked. The same thing applies to the farmers who are under the Industries Assistance Board. There is not the slightest doubt that even if we opened the Treasury doors to some of them they would not be satisfied. We know from past experience that many of those who received considerable assistance were the greatest grumblers the Industries Assistance Board ever had anything to do with. As I was stating, someone wrote to the newspaper on the 1st January and the reporter took the complaint to the Minister, who in reply used these words,—

So far as financial assistance to each individual farmer under the board is concerned, there can be no cause for complaint. If the Government had desired to protect the Treasury the payments before my time might have been continued.

It is necessary that Parliament should be very careful in giving additional powers to a Minister who does not desire to protect the Treasury. It is the duty of the Minister and of Parliament to protect the Treasury, and, when we pass Acts of Parliament we expect Ministers will not look at them from the point of view only that they are rendering temporary assistance to farmers, but also from the point of view that they, the

Ministers, are the trustees of the people. From the paragraph which I have read it would appear that the Minister at the present time is not protecting the Treasury and that he has no intention of doing so. He does admit, however, that the late Minister who controlled the Industries Assistance Board, did protect the Treasury. That Minister saw that others besides farmers were getting a fair deal, and he recognised, at the same time, that it was necessary to keep a firm hold on the finances of the State. I hope that the Minister's desires in connection with the Bill will be attained, and that at the end of five years he will be able to abolish the Board and have all his accounts paid. I am afraid, however, that before that time arrives he will have abolished a number of persons who have received assistance from the board.

Mr. THOMSON (Katanning) [5.15]: I think the amendment is a wise one. The member for Guildford (Hon. W. D. Johnson) who administered the Industries Assistance Board did not understand the board, and in consequence there was shameful waste under his administration. I do not intend to say that he alone should accept the full responsibility for that. I strongly support the present Minister's policy of decentralisation. I urged the late Minister to appoint inspectors to deal with the applications, but he refused, and in consequence farmers had to leave their holdings, come down to the City and hang about the board's offices for weeks. The policy of appointing inspectors is far better than having the Act administered from Perth. Again, much benefit has been derived from having the Industries Assistance Board worked in conjunction with the Agricultural Bank. I know of a farmer in my district who had received £185 from the Agricultural Bank. He had 200 acres fallowed, and was not able to go on any farther. All that he asked from the board was four tons of super. and sufficient stores to carry on until his crop was taken off, the total amount involved being from £35 to £40. The Industries Assistance Board turned down that man on three occasions, and it was only by persistent representation that I was able eventually to get the board to grant that man his £35.

Hon. W. D. Johnson: As a matter of fact, under the provisions of the Act he should never have got it.

Mr. THOMSON: I went to the Agricultural Bank and secured the reports of the inspectors. Each and every report spoke highly of that man, yet the Industries Assistance Board, supposed to help the farmer and at the same time conserve the bank's interests, had refused his application and said, "No, let the man go off the land."

Hon. W. D. Johnson: It was the instruction of Parliament that only those who suffered as the result of the drought should be assisted.

Mr. E. B. Johnston: No, we altered that in Committee.

Mr. THOMSON: I am simply quoting that as an illustration of the administration of the board as it was conducted prior to the present Minister taking it over.

Hon. W. D. Johnson: An illustration of how, by political influence, you got something which was denied to others.

Mr. THOMSON: Then political influence means securing justice for a man and protecting the assets of the Agricultural Bank.

Hon. W. D. Johnson: It was not justice.

Mr. THOMSON: There we have the attitude of the late Minister who had the administration of the board. Is it any wonder that they got into such a state of chaos? Of course the late Minister is justified in trying to make the best he can of a bad case. The cost of the inspectors is fully justified, for the money disbursed by the board is now being spent as intended by the board. I have pleasure in supporting the second reading.

The MINISTER FOR RAILWAYS AND INDUSTRIES (Hon. J. Mitchell—Northam—in reply) [5.21]: If members care to hunt up cases against the present board, the late board, or any other board, they could easily find some. There are 2,300 farmers under the board and, naturally, some of them could put up a good case against the board or some official. However, the board is now running very smoothly, and the inspectors are doing good work and saving a great deal of money. I do not wish to criticise the actions of the past administration, for no good would come of it. I have here a list which would probably astonish even the late Minister. Be-

fore the appointment of the inspectors a good deal of money paid away was never earned. It is good economy to spend a few additional pounds in protecting a large sum of money. I think the board, including the inspectors, will not cost any more this year than was expended on it last year. The Perth office staff has been very much reduced. The member for North-East Fremantle (Hon. W. C. Angwin) referred to some remarks I made in reply to a client of the board. The client said it was evidently the desire of the Government to economise and not to assist the farmer. In reply I said that if the Government desired to protect the Treasury, the demands made before my time might have been continued. In quoting that reply the hon. member must have known that he was misrepresenting me, for he read into it something not there. What I said was that if the Treasury wanted to refrain from paying out money they could in many cases have stuck to the arrangement that existed before my time.

Hon. W. C. Angwin: That is not there.

The MINISTER FOR RAILWAYS: It is the meaning of what I said.

Hon. W. C. Angwin: You said if you wanted to protect the Treasury. The inference is that you did not want to do anything of the sort.

The MINISTER FOR RAILWAYS: If the Treasury were to be protected to the full, the man would be paid less than a living wage. I desire to do a fair thing by both. Yet the hon. member tries to make it appear that I am neglecting to protect the public interest. Of course he was merely trying to make political capital out of the incident, because I know he would not wish to see a man paid less than a fair living wage. I would like to point out to the member for Guildford that less money will be paid out through the board this year, under a system which he calls extravagant, than was paid out last year.

Hon. W. D. Johnson: Of course, the number of your clients must be decreasing.

The MINISTER FOR RAILWAYS: Only to a small extent. The farmer is allowed to draw 9s. a day for every day he works.

Hon. W. D. Johnson: Who checks his work?

The MINISTER FOR RAILWAYS: Nobody could when the late Minister controlled, because no one was sent about the country to do so.

Hon. W. D. Johnson: We did not pay 9s. a day; we simply paid on results.

The MINISTER FOR RAILWAYS: You ought not to say too much about that. We allow the farmers 9s. a day for work done, which is merely a fair thing. They are visited monthly by the inspector, who pays them on the ground. He can check their work pretty well. The late Minister, when he visits his farm, knows pretty well how much work has been done.

Hon. W. D. Johnson: I am there for three or four days, but the inspector's visit lasts only an hour or so.

The MINISTER FOR RAILWAYS: The inspector, on arriving on a property, can quickly see what work has been done. If it represents a fair month's work he pays; if not, he does not pay.

Mr. Underwood: How many have been turned down?

The MINISTER FOR RAILWAYS: I do not know how many have been turned down.

Mr. Underwood: They were all paid 9s., no matter what they did.

The MINISTER FOR RAILWAYS: They were not. They had their crop in when the system was started and necessarily those crops must be harvested. The expense of cropping, outside of the hay which the people will have on their land, will be under £1 per acre. That, I think, is a very reasonable price for cropping. We must wait until the 31st March, when it will be seen exactly how the figures will come out. Up to the 31st December £575,000 had been paid out for the nine months as against over a million for the 12 months of the previous year. That does not show great extravagance. I think the House will agree that we must have some system of payment under which the farmer shall be able to obtain a degree of comfort. We are taking over his wheat. It is true that in some cases they will have poultry, eggs, and perhaps a little butter, but outside of those commodities the

farmer will have nothing upon which he could realise a shilling. We are taking away from him and realising on everything of value he produces, and placing the money to his credit. Surely, when we take a man's crop we must give him something like a fair thing to live upon, and I think members will agree that 9s. per day is only a fair thing.

Mr. Green: If you put a man on contract, and he does not earn the 9s., would you pay him the difference out of your own pocket?

The MINISTER FOR RAILWAYS: They have not all drawn 9s. a day; those who do not earn it do not get it.

Member: Some of them are "crook" and are out to beat the inspectors.

The MINISTER FOR RAILWAYS: If the hon. member who is here as a representative of the people knows of a case in which a man has been "crook," he should send in that man's name to the department.

Mr. Green: You should find him out. It would prove the thoroughness of your system.

The MINISTER FOR RAILWAYS: If there are men who are endeavouring to take the inspectors down, I think they will find they will be taken down themselves. I think the work of the board will this year prove satisfactory indeed. The £575,000 paid to the 31st December will result in a return more than twice that value in wheat alone. I do not wish to discuss in detail the work done by the men on the holdings. I could, if I chose, point to a number of instances which occurred under the old system before our inspectors went out, such as that of one man who drew for the cropping of 60 acres and cropped only 10. In another case the husband and wife had respectively 300 and 400 and the returns were, the husband £257, the wife £716. The wife was not under the board. But there is no need to discuss details such as these now, as there is now a reasonable check. The work of the inspectors has been gratifying. Resolutions have been adopted by public bodies in the country appreciative of the work of the inspectors and thanking me for having introduced the system. I doubt whether any member of this House expected that order would be restored in the board within a few weeks, as it was by the efforts of the officers of

the Agricultural Bank assisted by the capable management of Mr. Simpson, the manager of the board. Order has been restored and the clients of the board have been well treated. I think the value of the industry will be established by the success achieved by the 2,000 farmers under the board. Their work will be a complete reply to the criticisms of the agricultural industry we have heard so often in the past few years. Those men are producing an enormous amount of wheat. Let me tell the House, in conclusion, that something like 2½ million bags have been sent to farmers this year to be filled, and when that wheat has been marketed it will be worth about a million and one-third of money. I do not know whether any 2,000 of the constituents so ably represented in this House by the member for Kalgoorlie are producing in the aggregate quite as much in value as that. I doubt whether any 2,000 working in this State produce anything approaching that.

Mr. Green: The miners of Kalgoorlie produce gold to the value of over £500 a year each.

The MINISTER FOR RAILWAYS: This is equal to over £600. I submit that the men under the board who have achieved this result have done well and are entitled to be spoken of with respect.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Holman in the Chair; the Minister for Railways and Industries in charge of the Bill.

Clauses 1 to 4—agreed to.

Clause 5—Amendment of Section 9:

Hon. W. D. JOHNSON: This is the important clause in which it is proposed to extend the functions of the board by removing all limitations. The clause reads, "And generally for any other object or purpose the board may approve." That is giving the Minister power to do those things which hitherto have been done by the Agricultural Bank. The Minister has told us this power will not be exercised, but there is a danger; and, further, if the clause be passed, it is liable to cause friction between the board and the trustees of the Agricultural Bank. It may also render confusing the figures pres-

ented to Parliament. At present the trustees have to work to regulations and submit to certain investigations, so far as expenditure is concerned. This gives Parliament an opportunity of knowing how things are going, but so far as the board are concerned Parliament has not the same opportunity. With the power contained in this clause, however, unless the Minister exercises great care, it may become impossible for Parliament to fully understand the operations of two boards covering the same industry, because Parliament will be unable to separate the two. I admit little questions sometimes arise, but I submit to remove all limitations from the measure will be going too far.

The MINISTER FOR RAILWAYS: I appreciate all that has been said by the member for Guildford, and that a good case against this clause might be argued. I have already told the House that the power contained in the clause will not be used except in the case of some small advances not possible under the Agricultural Bank Act. If the Bill passes, I shall issue instructions to that effect.

Clause put and passed.

Clause 6—agreed to.

Clause 7—Amendment of Section 14:

Hon. W. D. JOHNSON: Would the Minister kindly explain why it is necessary to repeal Subsection 2 of Section 14?

The MINISTER FOR RAILWAYS: It provides for an amendment which will mean that securities may not be withdrawn without the consent of the board. Notwithstanding that we have said that the farmer is not to be sued, and made the creditor wait a couple of years and allowed him to think that he is to some extent protected, the farmer can come along to the board and say, "Here is the £50 that I owe you, I want to remove my security," and in that way leave his creditor stranded. We should have power to protect the outside creditor if necessary.

Clause put and passed.

Clause 8—Amendment of Section 15 (Advances to be a first charge on land, crops, etc., of applicants):

The MINISTER FOR RAILWAYS: I move an amendment—

That at the end of Subclause (c) the following words be added:—"Except so far as such chattels (not being supplied

under this Act) are the subject of a bill of sale, or lien registered prior to any such advance being made.

We do not desire to take machinery which is subject to a charge on the part of machinery merchants, or stock which is subject to a charge on the part of a stock dealer, or anything which is subject to a charge on the part of a mortgagee or anyone else. What belongs to the farmer should stay on the farm, so long as he is under the Industries Assistance Act.

Hon. W. D. JOHNSON: It is proposed to repeal Section 15 of the principal Act and insert another section. At a casual glance one would think that the two were almost identical. Will the Minister explain why the alteration is being made?

The MINISTER FOR RAILWAYS: At the present time we hold securities for everything supplied by the board. This will give the board security over all implements, live-stock, and other chattels in the possession of the farmer.

Hon. W. D. Johnson: One of the objects of the alteration is to give the Minister control over the two-farm gentlemen.

The MINISTER FOR RAILWAYS: Yes. We have supplied seed and fertiliser in certain instances and it has been taken to the holdings, but sown on the adjoining holding. This will overcome that difficulty. There is a section in the Act which says that the man who wrongly uses any of the supplies granted by the board is subject to a penalty. Under the present Act the board hold security over the stock. The amendment strengthens the board's security because it gives it a lien over all stock and any increase in stock, the property of the farmer. He cannot be sued for debt, but he can sell this stuff, which is not secured to the board. If he has any share or interest in any crop at all, that is a security to the board under this clause.

Hon. W. D. Johnson: The alterations, then, increase the security of the board.

The MINISTER FOR RAILWAYS: Yes. We have no desire to take the goods, machinery or stock belonging to other people. The amendment will cover this.

Hon. W. D. JOHNSON: I take it the object of the addition to the clause is to

meet the case where there is machinery on a farm already held under a bill of sale. If we exempt that, is it possible for the machinery merchants to remove the machinery from the farm? If a man has machinery on his farm paid for in part, and it is removed by the machinery merchants, this will force the hands of the board to pay up the balance due on the machinery in order to retain it there for the convenience of the farmer and the protection of the board's asset. Is it likely to have that effect, or will the insertion of these words prevent the machinery merchant from taking away the machinery?

The MINISTER FOR RAILWAYS: It really provides that the security in the chattels or machinery must not pass from the legitimate mortgagee to the board. The board cannot get any lien over the goods of another. I do not think our position is really altered in regard to the removal of the machinery by the merchant selling it. I will, however, look into the matter.

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

Clause 9—Amendment of Section 21 and repeal of third schedule:

Hon. W. D. JOHNSON: The third schedule was reinserted in the original Bill as a result of a conference between the Chamber of Commerce and the Minister and his officers. It was there agreed that a certain schedule should be drafted and according to that schedule the surplus proceeds of any farmer's stock would be distributed. It is proposed to abandon that altogether and get on to the *pro rata* basis. Has the Minister notified the Chamber of Commerce of the alteration and have they agreed to it? That Chamber gave us a lot of assistance at the outset in connection with the original measure.

The MINISTER FOR RAILWAYS: The machinery merchants are the only people concerned. We consulted them and they agreed, and in their turn they would have notified the Chamber of Commerce. I have not formally consulted the Chamber of Commerce.

Clause put and passed.

Clauses 10 to 13—agreed to.

Clause 14—Provision for repayment by instalments:

The MINISTER FOR RAILWAYS: I move an amendment—

That the following be added to stand as Subclause 5:—“The indebtedness of settlers and other persons as aforesaid to any Government department for supplies or advances under the Grain and Food-stuffs Act, 1911, or otherwise prior to the commencement of the principal Act, shall be deemed a liability to the Board, and may be brought into account in arriving at such balance as aforesaid.”

The balances in question are not very large, but the Government think they ought to be included within the scope of the Industries Assistance Board. It is not desirable to have a settler's accounts spread over various sets of books.

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

Clauses 15, 16—agreed to.

Title—agreed to.

[The Speaker resumed the Chair.]

Bill reported with amendments.

BILL—STATE TRADING CONCERNS (No. 2).

In Committee.

Mr. Carpenter in the Chair; the Minister for Works in charge of the Bill.

Clauses 1, 2, 3—agreed to.

Clause 4—Application of Act:

Hon. W. D. JOHNSON: I move an amendment—

That in Subclause 2, line 3, the word “Parliament” be struck out, and “Legislative Assembly” inserted in lieu.

It is perfectly clear that the object of the clause is to render practically impossible the establishment of any further State trading concerns in Western Australia.

The Attorney General: Would you establish any more?

Hon. W. D. JOHNSON: Yes; if only to prevent the exploiting of the agriculturist. The money now being expended on the Royal Commission on Agriculture should be devoted towards preventing the inflation of the prices of the farmers' requirements. No doubt, it is part of the policy of the present

(Government to oppose trading concerns; but that feature of their policy has never been endorsed by the people. On the contrary, the people have endorsed the establishment of State trading concerns. Probably no Australian Ministry ever suffered a severer defeat than did the Wilson Government in 1911, when the Opposition made State trading concerns a prominent plank of their platform. Although the Scaddan Government eventually were defeated by the two parties opposite coalescing, the policy of State trading concerns has never been rejected by the people. It was introduced as the result of a direct appeal to the people; and the Government are now endeavouring, without any definite instructions from the people, to make the establishment of State trading concerns all but impossible. There are many matters on which the people have expressed definite opinions, but though their wishes have been met by this Chamber they have been totally disregarded by the property Chamber. I can quite imagine the farmers speedily protesting against the price of superphosphates. However, the combination against the farmers' interests in this respect will have sufficient influence in the property Chamber to defeat the effort to do justice to the agricultural industry. Chairmen's fees and directors' fees and other influences operate in the Upper House, and make it impossible to get reforms passed which directly affect the interests of those represented in that Chamber. Numerous illustrations could be given in this connection. But the people of Australia eventually will take steps to ensure that their desires as expressed through the ballot box receive the respect of both branches of the legislature. Either the Legislative Councils of Australia will be reformed by a widening of the franchise, or else they will be totally abolished. One result of the war will be a declaration by the returned soldiers that they did not fight and will not fight for property interests.

Sitting suspended from 6.15 to 7.30 p.m.

[Mr. Holman took the Chair.]

Hon. W. D. JOHNSON: This is not a question on which the Legislative Council should be given direct authority to veto the desires of the people as emphasised by the

election of members to this Chamber. Hon. members of the Legislative Council are elected for the express purpose of protecting vested interests, and it is almost a certainty that they will not endorse by their vote the expressed desires of the people who vote for the Legislative Assembly. The clause has been worded as we find it so as to make it impossible for any more trading concerns to be established.

The Minister for Works: Nonsense.

Hon. W. D. JOHNSON: I am quite prepared to go to the extent of agreeing that the Legislative Assembly shall have the right to say that a trading concern shall be established.

The MINISTER FOR WORKS: I regret that the hon. member should on every possible occasion hold up as a red rag, the question of the Legislative Council. The statements he has put forward cannot be called arguments. One would think that the Legislative Council existed for no other purpose than to override the interests of the people of Western Australia.

Mr. O'Loughlen: That is all they do.

The MINISTER FOR WORKS: That may be the hon. member's opinion. We know that the Labour party desire to have the whole of the power vested in the Legislative Assembly, but there is a great number of people who hold a different opinion and believe that it is wise, especially in view of the events of the last five years, that there should be some check on the irresponsible happenings which people of irresponsibility like the late Government put forward.

Mr. O'Loughlen: They did not get a deficit of half a million in five months.

The MINISTER FOR WORKS: The hon. member has said that this clause has been advanced with the one diabolical idea of rendering it impossible for any further trading concerns to be established. The hon. member has a right to his opinion, but I tell him that the clause was not framed for that purpose and neither was it framed by any member of the Government. In fact, the Bill was not framed by any member of the Government.

Mr. Foley: Where is your responsibility, then?

The MINISTER FOR WORKS: This Bill is the outcome of instructions given to

the accountants and the heads of the different departments. They were asked to produce a Bill which would provide the necessary machinery for carrying on the trading concerns on a business-like basis. The Bill introduced by the late Government was supposed to provide that. The speeches of the then Ministers disclose what they intended to do, but the result of experience with the concerns showed that the Bill did not give the necessary machinery to carry on the concerns in a proper way. Let me give one instance. The implement works did a small job for the harbour works, the cost of which came to £48, and there was left over a little metal worth 50s. The natural course was to deduct that amount from the £48, but the Auditor General said "No, you have committed a breach of the Act; you have no right to do this; you must render a Bill for £48, collect that amount, and the harbour works must render you an account for 50s."

Hon. W. D. Johnson: What has that to do with this clause?

The MINISTER FOR WORKS: Our desire is to do away with a lot of the hindrances which in the past have paralysed the concerns.

Mr. Taylor: But those things have nothing to do with this clause.

The MINISTER FOR WORKS: Instructions were given that a Bill should be produced to do away with all defects and red tape, which were strangling the industries, and from start to finish not a member of the Government had a word to say in the matter. Of course, when the Bill was framed it came before the Government.

Hon. P. Collier: That is a most extraordinary statement to make.

The MINISTER FOR WORKS: Our desire was to have a Bill drafted which would facilitate the working of those concerns, and when it came before us we were satisfied with what had been done.

Hon. W. D. Johnson: Will you agree to my amendment?

The MINISTER FOR WORKS: No one knows better than the hon. member that the question of the establishment of trading concerns was not made a burning one at the last elections. I will admit it was referred to, but that was all. The hon. member had

recourse to a red herring when he referred to super. He knows that the rise in super. began in the Eastern States, probably as the result of increased wages. However, I would prefer to see the State manufacturing super. than have to deal with some of the unfortunate concerns which the late Government left to us, which have led to the enormous deficit, and which will certainly result in still further losses. The amendment, even if agreed to, could not be carried into effect, for the simple reason that it is contrary to the Constitution, which provides that the laws must be made by Parliament, and not by either House of Parliament.

Mr. FOLEY: Reference has been made to the shifting of responsibility. In this instance the responsibility rests upon the whole of the community, and not on any section thereof. The Minister for Works would have us believe that when the Bill was resolved upon he merely called in a few departmental officers and said, "Frame me this measure. It will be all right." I refuse to take even the word of the Minister for Works when he says that the officers had no specific instructions as to what the Government required.

The Minister for Works: It is of no use reaffirming it, since you will not take my word.

Mr. E. B. Johnston: The accountants did it.

Mr. FOLEY: If the accountants drafted the measure, where does the Minister's responsibility come in? The Minister wishes to shift the responsibility and put it on the shoulders of the departmental officers.

The Minister for Works: Nothing of the kind.

Mr. FOLEY: The Labour Government accepted full responsibility in respect of every Bill they brought down, and the present Minister is not playing cricket when he tries to shift the responsibility that should be on him. In the past, whenever a Bill dealing with trading concerns was before the House, we had members of the Chamber of Commerce lobbying here every night; and whenever a mining Bill was under discussion much of the State's money was spent on telegrams to the Chamber of Mines for instruction. The Legislative Council should not have any say in respect of the establish-

ment of trading concerns. This should be the prerogative of the people, to be expressed through their representatives in this House. Regarding the Minister for Works' remarks on the question of super., I would point out that immediately the abolition of charges was made by a Liberal Government the superphosphate people put up the price. I would ask the Minister whether any attempt has been made to control the price of super. in the interests of the farmer. Last night the Premier asked us to accept an assurance that something would be done in that direction. We want to know what it is that will be done. I submit that it is the Legislative Assembly which should say what is to become of our trading concerns. It has been urged that the Constitution will not permit the adoption of the amendment.

The Minister for Railways: It will not go through in another place.

Mr. FOLEY: There is a threat right away, just such a threat as is always held out whenever an attempt is made to defend the people's rights in this House.

Mr. MULLANY: I hope the Committee will give the amendment close and favourable consideration, and more particularly I ask members of the Country party what the position of the farmer will be if the clause be passed as printed. In all Parliaments the Lower House has the right to decide such questions, but in this Bill it is proposed to hand over that right to a section of Parliament which is interested for financial or business reasons in preventing the establishment of business enterprises. We have had from the Minister for Works the statement that no member of the Government had knowledge of this clause before it was presented to the House. He said instructions were given to the departmental heads or the accountants to draft the Bill embodying their ideas.

The Minister for Works: That has all been explained before. I told you that the Bill had been considered by Cabinet and that I was going to support it. I am not sheltering myself behind the departmental heads.

Mr. MULLANY: Twenty minutes ago the Minister told us that he had no pre-

vious knowledge of this clause but that he intended fighting for it.

The Minister for Works: You are twisting my words, and you know it.

Mr. MULLANY: I want to know whether Parliament or the departmental heads shall dictate the policy of the State. It is well to get the advice of departmental accountants or heads regarding machinery clauses, but it is astounding to find a responsible Minister saying in this Chamber he is going to allow a departmental head to dictate matters of policy.

The Minister for Works: I did not say anything of the sort.

Mr. MULLANY: I protest against the clause, and shall support the amendment, because I would retain to the people the right of saying whether they shall or shall not embark in business enterprises. If this clause be passed it will not be giving effect to the ideas of Ministers, but to the ideas of departmental heads and accountants.

Mr. LAMBERT: If this clause be passed the effect will be to limit the activities of Parliament. We had a recent admission from Ministers of their intention to sell or otherwise dispose of the State enterprises. But the Government have never put that intention into effect. Why?

Mr. Smith: Would you keep your private business going if you were losing money?

Mr. LAMBERT: It is well known in connection with business enterprises that they are not always prosperous at all periods, particularly in the early stages after their establishment. My opinion is that some of the trading concerns established by the Labour Government will remain a monument to their capacity and business acumen.

Mr. Smith: How long would you run a business before you were satisfied you should close it up?

Mr. LAMBERT: It is not my province to instruct the hon. member on such points. I appeal particularly to the members of the Country party that if they wish to conserve the interests of the farmer they should free him from the shackles which the present Ministry seeks to place on the Legislature. If they do not do this they should never go before their constituents, and most certainly should never come back here afterwards. Notwithstanding the references of

the Minister for Works and the Premier on the superphosphate industry, it is undeniable that superphosphate is important to the agricultural industry. It would ill become the farmers' representatives in this House to agree to a clause which would limit the activities of the Legislature. I repeat this is a question more closely concerning the party representing the farmers than it concerns those on this side of the House. So far as we are concerned I have no doubt that eventually our platform will be carried into effect. The whole tendency of Legislatures to-day is to broaden the sphere of State activities and not to shackle them in the manner that this Bill is trying to do. If the Country party allow this clause to go through they should be ashamed to go back to their constituencies. Were the Labour Government to come back to power I believe I am right in saying that one of the first things they would do would be to establish superphosphate works. This is, perhaps, the direction in which the farming industry could be assisted more than in any other. That charity has not been extended to the Labour party that should have been extended for all that it has done for the State.

The Minister for Works: In order to get that gratitude you are going to bribe them.

Mr. LAMBERT: It is our set policy to establish industries which are intimately connected with the farming industry. Are members of the Country party prepared to hand over to another Chamber, which by calling, understanding and policy is prejudiced against the activities of the State being extended so as to benefit the community in general, the right to say that we shall establish these industries in order to assist them? If the State were to start a State insurance and a State banking scheme I believe that in five years the country would be free of debt. All these big State activities would then be used to wipe off the accumulated national debt. The success achieved by the Commonwealth Bank is a notable instance of what can be done by large State enterprises.

Hon. P. Collier: The Commonwealth Bank was the only bank in England which did not close its doors during the first week of the war.

Mr. LAMBERT: I do not say that we should go in for a lot of experimental State enterprises, but the big avenues of profit should be monopolised for the benefit of the State. It is a scandal that private insurance companies in Western Australia should have been paid £18,000 or £20,000 for the insurance of crops which have been put in with the assistance of the Industries Assistance Board.

Mr. Willmott: They have to incur over a million in liabilities for that premium.

Mr. LAMBERT: Their charges are too high. I appeal to hon. members to support this amendment and not to place a matter of such vital importance to the State in the hands of an unsympathetic Chamber.

Mr. THOMAS: When the Premier returned from the Eastern States and talked about the abolition of party politics and the establishment of a national organisation for the good of this country, he must have been speaking with his tongue in his cheek. It is an insult to the public intelligence for him to say on the one hand that he is desirous of doing away with party strife in these times, and on the other hand, to make these hypocritical statements in the attempt to destroy the principles upon which the Labour movement has been built.

The CHAIRMAN: Order! The question before the Committee is as to whether the word "Parliament" should be struck out. The hon. member is making a second reading speech.

Mr. THOMAS: I will connect my remarks with that. This clause is a well-considered and deliberately thought out plan to rob the people of Western Australia of the liberty they have enjoyed for years, and to destroy the efficacy of the principle of adult suffrage. Though majority rule is not perfect, it is the best rule we know of as yet. If this clause is carried as it stands, the adult voters without property who elect the members of this Chamber will no longer have the power to guide the destinies of Western Australia. The constitution of another place, by reason of its peculiar nature, would frustrate the attempt of even a unanimous Assembly to abolish the worst and most oppressive mon-

opoly. We are now called upon to defend the privileges of members of this Chamber. The Liberal party, in their day of power, seek to destroy the liberties of the people of Western Australia. But a day of reckoning will come, when the people will exact the penalty. No member supporting this clause told his electors from the platform that he intended to vote their liberties away. I appeal to members of the Country party, and also to members of the Liberal party, for a fair deal to the constituents who sent them here. The policy of State Implement Works and State steamships and other activities of the same nature was distinctly placed before, and definitely approved by, the electorate. The war is pressing heavily on England, and I wonder if Mr. Lloyd George would tolerate the interference of the House of Lords in any plan for the control of industries on behalf of the British nation. If nationalisation of industries is effective during the stress of war, is it not far more likely to prove successful in times of peace? At all events, the war has made evident the total failure of private enterprise. To pass the clause as it stands would be to deprive our people of their liberties for many years to come, and would render members of this Chamber powerless to give effect to the will of the people who sent them here. This effort, by a secret method to deprive the people of their rights, will place an ineffaceable brand on the party responsible. Indeed, this clause justifies the moving of a want of confidence motion. There never was a more disgraceful attempt to abrogate the rights of the people. I do not think the Minister responsible realises the enormity of his offence. This clause is the Bill. It is a principle which is vital to every elector, and does the Minister think that I am going to be silenced because it does not please me? If I cannot do it here, I will tell the people elsewhere how those who should be the guardians of their liberty are treating them in this Chamber. The time will come when hon. members will be ashamed of the action they are trying to force on this Parliament. I would ask every hon. member to weigh well this matter before he casts his vote which, in after years, may give him cause for regret.

Mr. TAYLOR: I have listened to the arguments in favour of the amendment and also to the interjections from the Government side in favour of the clause. I am not too much enamoured of the possible effect of the amendment; I would prefer the sub-clause to be struck out altogether. If we strike out the word "Parliament" and insert "Legislative Assembly" in its place, a feeling will be created in another place which will result in the rejection of the amendment.

Mr. Carpenter: If we strike out the sub-clause they will put it in again.

Mr. TAYLOR: The accountants who, according to the Minister, framed the Bill, must have known exactly the policy of the Government. The real policy of the Liberals is contained in a later clause of the Bill in which the Government are given power to dispose of these concerns without asking for the consent of Parliament or anyone else.

The Minister for Works: That is the policy.

Hon. P. Collier: Was that also prepared by the accountants?

Mr. TAYLOR: We find that the real essence of the policy of the Liberal Government is to dispose of the people's property without asking the permission of the people. The people of the country can no longer believe in them after having watched the reports of the financial operations as they appear each month. We find that the deficit is getting bigger, and we find, too, that the losses each month are becoming greater, notwithstanding that the revenue shows an increase. We shall find also that the pink sheet will shortly have to call the Premier "Gone two millions Frank" and that the stocks of "Gone a million Jack" will drop 50 per cent. These financiers now, in order to get over their difficulty, want Parliament to give them power to sell the people's property. If the Labour party came back to power they would have no opportunity of putting their policy into practice if it had to stand the test of another place. We tried repeatedly during the five years to meet the growing deficit by taxation proposals but failed on every occasion. We find the present party are not long in office before they, too, bring down taxation pro-

posals to meet the growing deficit, but those proposals were not acceptable to their party.

The Premier: What has all this to do with the amendment?

Mr. TAYLOR: Everything. The object of the Bill is to give the Government power to dispose of the trading concerns which, the Government say, have been responsible for the deficit.

The Minister for Works: Why not discuss this clause and leave the other until we come to it?

Mr. TAYLOR: I do not believe, even if we do pass the Bill, that it will have the desired effect. So long as the Government can get appropriation through, they can spend the money under the Constitution Act.

Hon. J. D. Connolly (Honorary Minister): Then why bother about it?

Mr. TAYLOR: Hon. members opposite have no respect for the wishes of the people after the people have put them into power. I have had resolutions sent to me from various parts of my electorate asking me to oppose the Bill in toto. It is absolutely against the principles of the Labour party to dispose of the trading concerns, and the methods prescribed in the Bill should be against even the principles of the Liberal party. When the Labour party were administering the trading concerns, the present Minister for Works was for ever declaring that the losses made were due to bad management. He refused to admit for a moment that the enterprises were sufficiently big to present any difficulties whatever to any administrator of business knowledge and training. Yet, as soon as ever those trading concerns drift into the hands of that hon. gentleman, he at once cries, "They are too big for me; let us sell them." I cannot believe that the Government are sincere in their opposition to the amendment, for we know well enough that in the last resource they can rely on the Legislative Council to throw it out. The proper course to adopt would be for us to strike out the subclause altogether, and I hope the Government will agree to this. The subclause takes away a great deal of the privileges of the people, as represented in the Assembly. Lloyd George, the Prime Minister of England, is busily engaged building up State enterprises, whereas

another George, a Minister here, is trying his best to sell similar State institutions.

Mr. NAIRN: The hon. member has sought to deduce an argument from certain developments that have been made in the old country since the declaration of war. It is not surprising to hear the other side contending that the Imperial Government, finding themselves in the throes of the most terrible war in history, have adopted the policy of the Labour party of Australia. In justification of that we are reminded that the Imperial Government, in the interests of the British Empire, are taking over certain institutions previously conducted by private enterprise. What would have been the position of the Empire to-day if Imperial Ministers had been compelled to depend on those institutions which were already controlled by the British Government? It was only by the sound development of privately owned institutions voluntarily handed over to the British Government in the interests of the Empire, that the situation was saved.

Hon. J. Scaddan: Did the shipping companies in Britain voluntarily offer their ships to the Government?

Mr. NAIRN: I am speaking of the enterprises which have been mentioned by members opposite as having been taken over by the British Government in justification of their claim that this Government should take over all industries. Had it been left to the institutions under the control of the British Government the Empire would not have been safe for 24 hours. I decline to remain here and have that foolish, absurd and foundationless theme thrown before this Chamber.

Hon. J. Scaddan: Tell us one industry handed over to the British Government voluntarily.

Mr. NAIRN: To take only one big institution—the iron foundries of Britain. Can members opposite quote a single instance in the history of this war where the fullest assistance was not given by that industry to the Government? Had the Empire been dependent upon Government shipping we would not have been in the position we are to-day. It was only the fact that British trade had been so highly developed by private enterprise that saved the Empire from

annihilation. I have waited all the evening for members opposite to show one good reason why we should make an exception in our legislation in this case. If it is desired to build a railway the authority of both Houses must be obtained under the Constitution. To say there should be different methods adopted in the purchase of a State steamer than in the construction of a railway is hypocritical. The occasion upon which the member for Mt. Margaret (Mr. Taylor) was most eloquent was when on this side of the House he denounced the Ministry in power for not having consulted Parliament regarding the purchase of a State enterprise. And the member for Williams-Narogin (Mr. E. B. Johnston) practically sent the present Opposition across the House because in a debate on a similar question he charged the then Ministry with having violated the Constitution. And a similar attitude was taken up by the member for Geraldton (Mr. Heitmann). If any argument in favour of the clause which the member for Mt. Margaret rightly describes as the Bill, has been advanced it has been advanced by the three members I have mentioned. There are institutions in this State which, though they have no legislative authority, have tremendous legislative power, wherein 40 or 50 people without statutory authority establish programmes which their parties must follow. We had an example of one such meeting attended by Ministers discussing the question of State enterprises, and the Ministers asked conference to stay their hands. Yet in face of that protest those Ministers were sent back to this House and told to proceed further with a policy of State enterprise.

Mr. Taylor: That congress represented more people than the Legislative Council represents.

Mr. NAIRN: We have no evidence as to whom the congress represented. I have pledged myself to oppose as vigorously as I can any additional State enterprises. In my opinion not 25 per cent. of the workers themselves are in favour of State enterprises. They have found that they do not get better conditions or greater security of employment and also that they have to carry their share of the heavy financial legacy left by the non-paying enterprises established by

the late Government. Every individual in the State, whether he be worker or capitalist, has to accept his full share of the responsibility for the failure of those enterprises. I hope before the vote is taken that some good and intelligent reason will be shown why exception should be made in the case of State enterprises to obtaining the same Constitutional authority of both Houses as is required in regard to any other problem which comes before Parliament.

Mr. MUNSIE: The member for Swan has made some remarkable statements. Neither he nor any other member of the House can mention one industry in Great Britain controlled by the British Government which has not been taken from the private employers against their will.

Mr. S. Stubbs: What about Lysaght's?

The Premier: There is Hatfield's foundry and others.

Hon. W. C. Angwin: Lysaght's kicked up a row over it.

Mr. MUNSIE: Both the Employers' Federations of England and the Chambers of Commerce of England have met and protested on every occasion most vigorously against the attempt of the Government to take any more of the manufacturing concerns of England. At the last annual meeting of the shipowners in England the Chairman protested against the interference of the Government in attempting to increase the taxation of war profits over and above 50 per cent. and now we find the British Government, in spite of the protest of shipping owners, controlling these vessels. Many of the shipping companies have handed over portion of their fleets to be used by the British Government for transports under absolutely extortionate conditions, but not one of these companies has ever agreed that the Government should absolutely control the whole of its fleet. Whilst our trading concerns in this State were in their infancy we were met with a disastrous drought and that was followed by this great world's war, and yet we have hon. members saying that they are not a success from the point of pounds, shillings, and pence and ought to be got rid of. Throughout the world nations are adopting the policy which has been advocated by the Labour party in Australia for the last 25 years, and everything possible is being nat-

ionalised. If the Bill is passed in its present form it will be useless giving the franchise to the adults of Western Australia. I venture to say that not 30,000 people in Western Australia are entitled to a vote for a representative in another place, whilst there are 124,000 with no vote at all. Yet the Government wish us to accept the Bill, drafted and manufactured by the accountants of the various State departments, which is going to whittle away the privileges of the people and place us in the hands of a Chamber which is absolutely controlled and run by vested interests. I protest against sacrificing the interests of the whole of the people on behalf of, at the outside, 30,000 of them. The Minister for Works, in reply to the member for Guildford, said that the matter of State enterprises was rarely mentioned off the public platform. Outside of the gerrymandering Redistribution of Seats Bill, and the famous Collie map, there was no subject so prominent before the people of the State as the introduction of State enterprises during the 1911 election. Yet the hon. gentleman desires members to believe that State trading concerns were not an important issue on that occasion.

The Minister for Works: I did not say that: I said they were not prominent.

Mr. MUNSIE: In 1914 we still came back to this Chamber with a majority of two.

The Premier: You squeezed in.

Mr. MUNSIE: Yes, as a result of absolute misrepresentation and nothing else. After fighting two elections in this State, the second one in the face of all this misrepresentation, and with State trading concerns as a prominent issue in each case, we still came back with a majority in the House. On top of this we have the hon. gentleman, who by secret, underhand methods has succeeded in gaining a seat on the Treasury bench, but is afraid to appeal to the people of the State, introducing a Bill which is not only intended to stop all State trading concerns, but to take away the power of the people so far as their vote is concerned. It is an absolute scandal. It is my belief that if we were to fight the next election on the proposals contained in this Bill we would again be returned with a majority.

The Minister for Works and the Premier know what would be the result. They are misleading the people of this State and of the Commonwealth. They looked for a subject which would cause dissension in the ranks of the strongest political movement ever known in Australia, and they found such a subject; but the dissension is only for a time. For my part, I am not going to permit any Government whatever to expend the people's money without consulting the people's House. The member for Swan, referring to the deficit, said he would defy any member of the Opposition to produce one Labourite or one worker in this State who was not feeling the pinch of the enormous deficit piled up by the Scaddan Government. I ask the member for Swan, or any member on the Government side, how much the deficit has affected him so far? It has not affected any man inside this Chamber or outside it to the extent of a penny. But if the present Government remain in office long enough, they will make the worker feel the pinch of a deficit. The late Government and their supporters realised the position into which the State was getting, and they tried to take precautions. They endeavoured to rectify that position by the most scientific taxation system ever proposed in an Australian Parliament; but their proposal was ignominiously rejected by the other Chamber, as was every one of the perfectly equitable taxation measures brought forward by the Scaddan Government. And, after such an experience, the Minister for Works wishes us to give the Upper Chamber the right to determine whether another State enterprise shall ever be established in Western Australia. The Minister has never explained what the clause means other than the interpretation given to it by this side. The Opposition are prepared to take the responsibility of doing something that the Minister terms unconstitutional, if the hon. gentleman will accept the amendment. Again, if he will agree to delete this clause and Clause 24, the remainder of the Bill can be made highly useful in the interests of the shareholders in the State trading concerns. But those two clauses, as they stand, I am not prepared to accept on any consideration. The Minister stressed his point that this is purely a machinery Bill; and from that aspect I am prepared

to give him every assistance. But I am not prepared to aid the Government in an endeavour to nullify adult suffrage.

Mr. GREEN: I also support the amendment, largely for the reasons already expressed on this side. I take the Minister for Works at his own word as regards his sincerity in the matter. The hon. gentleman has repeatedly stated that the policy of the present Government is to refrain from establishing State trading concerns and to dispose of the concerns already established. The Labour party are pledged to the establishment of State enterprises, but only with a view to checking or abolishing monopolies. But, under this clause, what would be the fate of such legislation in another place? Any Bill for the establishment of a State trading concern would meet with the bitterest opposition in the Council. The State Steamship Service has been made a bugbear from the financial aspect; but, in view of the relative capitalisations, the State Steamship Service is ahead of the Railway Department. Let me quote from figures prepared by the present Government and published in to-day's newspapers. According to those figures, the State steamers during the seven months from July of 1916 to the end of last month earned a revenue of £129,992 for an expenditure of £84,175, showing an excess of revenue over expenditure—irrespective of sinking fund and similar charges—of over £45,000. At five per cent. it would mean that the State steamers would be capitalised at £916,000. It is true that at the present time State steamers are proving one of the best investments the Government had left to them. Take the other enterprises mentioned in the balance sheet issued yesterday. There are certain estates which were purchased by the previous Government, and including those we find that the revenue received during the seven months of the financial year amounted to £1,823,133, and the expenditure was £1,490,257, leaving an excess of revenue over expenditure of £332,876. If the whole of this were capitalised at five per cent. it would mean that we had invested 6¾ millions in these different enterprises. That amount of money has not been expended in these enterprises and it is rather amusing to think that the member for Swan, who is generally very careful in the

statements he makes, on the very day that his Government made clear this position of assets and expenditure, has the temerity to say that the deficit, on account of the State enterprises, is crushing the worker. Have I not clearly shown that the State enterprises are not responsible for the deficit which exists to-day? The deficit has arisen largely because of the failure of the agricultural industry. The policy of our party in the past has been not to meddle with private enterprise in any way whatever; but if private enterprise takes it upon itself to form a combine such as happened in regard to the manufacture of bricks, then we are out against it. When the Government wanted bricks a little while back a private firm, which had bought a number from the Government, sold them back to the Government at a few shillings per thousand more than they paid for them. And the Government rose like proper fish and snapped the bait.

The Minister for Works: Give us all the facts. I am interested in this.

Mr. GREEN: I am not mentioning any names, but I can give these to the Minister privately. Some mention has been made of the fish enterprise. In Kalgoorlie and Boulder we were securing fish and getting two cwt. of schnapper and about seven cwt. of smaller fish weekly.

Hon. J. D. Connolly (Honorary Minister): What has this to do with the amendment?

Mr. GREEN: The amendment strikes a vital blow at State enterprises. Directly the fish supplies were stopped by the present Government, the wholesale man in Kalgoorlie raised the price of schnapper 2½d. per lb.

Hon. J. D. Connolly (Honorary Minister): And the State saved £10 a day.

Mr. GREEN: If the Government had increased the price of fish 2d. all round the goldfields would still have had fish and a handsome proposition would have remained. The member for Swan tried to prove that there was no comparison between the position of Western Australia, with her State enterprises, and the old country, where everything had been brought under Government control. He declared that at home enormous profits were being made, and that the factories were voluntarily handed over

to the Government. It has already been proved that such is not the position. The industries in the old country were making enormous profits, and the workers, even with their increased wages, were finding it difficult to live. The Government, in order to get the most from the raw material, nationalised the industries. In yesterday's *West Australian* there appeared a cable message relative to a scheme of State socialism. It read—

Replying to an objection that the Empire Resources Development Committee's proposals imply State socialism, Sir L. S. Jamieson states:—"We have been trending that way since before the war. It is necessary to see that State socialism with the proper label takes the right direction." I quite agree with that.

"It would be hopeless to try to make a Development Committee out of the existing civil service. The Committee must consist of captains of industry."

Hon. J. D. Connolly (Honorary Minister): The last sentence condemns the whole argument; they are not controlled by the State, they are controlled by private enterprise.

Mr. GREEN: For the benefit of whom?

Hon. J. D. Connolly (Honorary Minister): That is not the point.

Mr. GREEN: The hon. member can give me the captains of industry and if Australia is going to receive the benefit I shall be prepared to adopt his scheme. The question of State ownership, as we know it, is on its trial in respect of the methods by which it can be worked. I do not for a moment hold that the right thing to do is to hand over to one untrained Ministerial head the conduct of half a dozen big, complicated concerns. But it should be possible to find and pay a highly efficient expert to take charge of each State industry, and so ensure substantial profits for the State.

The Minister for Works: The Bill will give the managers all the power required.

Mr. GREEN: Not at all. The policy of the Minister is to abolish State enterprises.

The Minister for Works: But if we have to carry them on, power is given in the Bill to do exactly as you suggest.

Mr. GREEN: The real purpose of the Minister and his colleagues is to sell all the

trading concerns, notwithstanding that the whole trend of modern thought is in the direction of State enterprises.

Mr. Smith: Do you think the British Government will continue to carry on their big trading concerns after the war?

Hon. W. C. Angwin: Most certainly. They will never go back.

Mr. GREEN: The point is that it is impossible, whether in peace time or time of war, to see that control is kept on those great predatory trusts that have evolved from the old school of private competition when the policy was every man for himself. Only a few days ago the *Daily News* published an article showing that last year's profits from the White Star line of steamers amounted to nearly two million pounds after providing large sums for excess profits taxation. I have here a number of extracts from responsible journals dealing with the enormous profits being made in various branches of industry. Senator Coquette, of the Canadian Parliament, adduced evidence to show that the immense war time profits being made by the munitions factories in Canada were having a serious effect upon the enlistments among the native born of that Dominion. The profiteers know no country and no flag, but are after profits all the time.

Mr. Nairn: They are like the I.W.W.

Mr. GREEN: I am not here to defend the I.W.W. Their policy is absolutely opposed to that of the Labour party. I trust the amendment will be carried. The clause is a distinct blow at the possibility of ever being able to firmly establish State enterprises in Western Australia. If the Liberal Government were to fall away from the principle laid down by comrade George of selling, blowing up, dynamiting or using some other method of getting rid of the existing State enterprises and of preventing others from coming into existence, and there were a real danger from, say, the shipping trust or the meat trust, and the Government sought to increase the shipping to the North-West by the purchase of another State steamer, there are members in another Chamber who would fight tooth and nail against that proposition.

Mr. S. STUBBS: I move—

That progress be reported.

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

Ayes	..	..	..	16
Noes	..	..	..	18

Majority against .. 2

AYES.

Mr. Allen	Mr. Robinson
Mr. Butcher	Mr. Smith
Mr. Connolly	Mr. S. Stubbs
Mr. Cunningham	Mr. Thomson
Mr. Gardiner	Mr. Willmott
Mr. George	Mr. F. Wilson
Mr. Lefroy	Mr. Hardwick
Mr. Mitchell	(Teller.)
Mr. Nairn	

NOES.

Mr. Angwin	Mr. Munslie
Mr. Carpenter	Mr. Scaddan
Mr. Cheason	Mr. Taylor
Mr. Collier	Mr. Thomas
Mr. Foley	Mr. Troy
Mr. Green	Mr. Underwood
Mr. Hudson	Mr. Walker
Mr. W. D. Johnson	Mr. O'Loughlin
Mr. Lambert	(Teller.)
Mr. Mullany	

Motion thus negatived.

The PREMIER: After the lengthy debate we have listened to to-night I have not very much to say. We have heard many subjects discussed. There have been references to Mr. Lloyd George and the Cabinets in the Old country. We have had a long dissertation by the member for Kalgoorlie on what has been done in Canada with regard to munitions and other matters connected with the war; we have had references to outside powers and to the deficit of two millions, but no reference whatever to the proposed amendment on the clause so far. As I read the clause, it sets forth that we shall not in future establish any State trading concern without consulting Parliament. Exception has been taken to this by members opposite and they have moved that it is not Parliament that shall be consulted, but a section thereof. They want it established that the Assembly shall have the power of decision in such matters and that the other portion of the Legislature shall have no say. Members conversant with the Constitution replied that the power in this State rests

with the two Houses of Parliament. I cannot understand the argument that the voice of democracy is centered in the Legislative Assembly. What does the proposal mean unless it is being done to gain a party advantage? The party with a majority governs in this Chamber and the proposal contained in the amendment therefore means that if our friends opposite come back to power, and they express the opinion they will, the policy regarding State enterprises will not be decided by the voice of Parliament but by the voice of their masters who dictate their policy and to whose dictation they are so wonderfully obedient. The policy has been abandoned by our friends opposite because it is not to their satisfaction.

Hon. W. C. Angwin: When was it abandoned?

The PREMIER: In Kalgoorlie, when they asked that they should not be forced in the direction of establishing State enterprises, but they were turned down and were told that they must still continue to establish State enterprises wherever they could.

Hon. W. C. Angwin: That is not correct.

The PREMIER: Those are the words which were reported. Hon. members have drawn comparisons and adduced arguments to the effect that we should keep this power in the hands of the Assembly. To justify that attitude, and their advocacy of such an unconstitutional procedure, they trotted out the action of the British Government in taking control of the steel trade of Great Britain in order that the requirements of our armies, the British and the allied, might be fully satisfied in the matter of munitions and war material. It is not the establishment of State enterprises in the Mother Country which hon. members have put forward as an argument; it is simply that the Government have taken control, and rightly so, of those avenues of industry which directly affect the result of the war. I would point out that those who were running these businesses prior to the war are still in charge of the works, and still carrying on, and that many of them form a board of advice under which the works are controlled by the Imperial Government. There is no question of State socialism. It

is simply a question of the needs of the Empire demanding that certain industries shall be controlled for war purposes, and these are being controlled with the full acquiescence of those who have their money invested in them. If we, in Australia, had been half as alive to our duty to the Empire as our kinsmen across the seas have been, we would probably have adopted some similar control in Australia, and would not have seen a large proportion of the population not only adverse to compelling men to give their services in this great war, but absolutely lethargic with regard to the industries which might be increased in our own lands, and which would help to carry the war to a successful conclusion. I regret very much the fact that hon. members have dragged this great movement into the question, in order to voice and back up such a puerile argument in favour of keeping within their own party the power to establish State enterprises in Western Australia. What we do want to discuss to-night is simply whether Parliament, as such, shall have the control of the business of the State in future. At present Parliament has not that control and no one can deny the statement. Parliament was never consulted when these State enterprises were established, although it was sitting at the time the State steamers, for instance, were purchased. Was Parliament consulted when the "West Australian" was sent home with the full confidence that she would be disposed of when she reached London? When we ask if Parliament shall have that control we are told that this Chamber only shall say as to whether in future enterprises of this description shall be embarked upon.

Hon. W. D. Johnson: Did you consult Parliament about the recent cattle deal?

The PREMIER: No. We followed out what members opposite have done.

Hon. J. Scaddan: That is not an excuse.

The PREMIER: That was in the nature of something appertaining to the war, in order to feed our people during war time.

Hon. W. D. Johnson: Parliament was in session.

The PREMIER: The Legislative Council is an integral portion of our Legislative system. It has powers equal in many respects

to those enjoyed by this Chamber, as set down in the Constitution. It is essentially a Chamber of review and revision, although sometimes it does not review or revise as we would like it to do. Yet hon. members would say that those people who represent the electors of the State of Western Australia, just as we do—

Hon. T. Walker: No.

The PREMIER: Should not have a voice in the matter. It is true they have a different franchise; but it is a very wide one. There are very few workers in Western Australia who cannot qualify to vote for a Legislative Council candidate.

Hon. J. Scaddan: What about the plurality vote?

The PREMIER: I venture to say that there is not a married worker who does not own a home of his own and who cannot qualify for a vote for that Chamber if he so desires. One hon. member says that the whole of the people should decide this question, and not a section. Now they say that the whole of the people shall not have a voice in the matter, but only a section. It would be a section only with a vengeance if the amendment was carried, as I presume hon. members intend to carry it, on account of the paucity of members on this side of the House. It is an unheard of thing that they should refuse the adjournment of the debate and take advantage of the absence of many members on the cross benches, who are away in the country, notwithstanding that only last week, in deference to the pleading of the late Attorney General, I adjourned the debate on the Electoral Districts Bill in order that members of his party might come back to the Chamber before we took a division. This is the treatment they mete out to us to-night. It is generous treatment indeed. They even drag in his Honour, the Speaker, to swell the majority. I would like to refer to the attack made upon the farmers of the State in connection with the assistance which, it is said, was being given to them, in connection with the State enterprises established in our midst. I suppose the plea was that the establishment of State enterprises was justified—no matter what their result might be, and no

matter what our present and future financial obligations might be—because by that course the Opposition would get better terms for those they call “the workers”—their friends, their political partisans. When we assist our farmers, we assist the individual man to build up a primary industry, from which the whole State benefits. But State enterprises are established, not to assist the individual, but to knock out the individual—to compete with the private citizen by means of his own money, to give employment on better terms than the market warrants, and so kill the individual employer. The member for Leonora expressed great faith in the financial recuperation to be derived from the establishment of State banking and State insurance systems, and so forth. But I do not believe that a panacea for our present financial troubles is to be found in that direction. My belief is that the only way to make a country prosperous is to encourage the individual, and that the functions of government are not such as to warrant entering into the avenues which our friends opposite have trodden to such a disastrous end. Therefore I and my friends who follow me have decided, as part of our policy, that we will not encourage the establishment of State enterprises in the future, and that our manifest duty is to relieve the country at the earliest possible opportunity of the incubus which has been placed upon it, thus in time restoring Western Australia to the sound financial position of 1911. We are asked to-night to decide whether we will act constitutionally, and allow Parliament to have a voice in any action which any future Government may propose to take in the direction of State enterprise. Hon. members opposite contend that this Chamber alone shall have the say—that this Chamber alone, I suppose, shall have absolute control over the expenditure of public moneys. Those who advance such arguments know very well that another place has at the present time the power even to throw out money Bills; though another place has exercised that power very rarely. When it comes to a proposition of this sort, which may eventually drag the State to that ruin towards which it has been drifting fast during the five years just elapsed, I say it is in the interests of West-

ern Australia that a clause of this description should be enacted. Hon. members opposite are game to tiddlywink with a small clause like this, but they are not game to go to the country. I am quite prepared to go to the Governor and ask for a dissolution, provided they will go with me.

Hon. P. Collier: Let us all go together.

The PREMIER: If they are prepared to face the electorates let them move the adjournment of the House and take the control of business out of my hands.

Mr. CARPENTER: I congratulate the Premier on the smiling manner in which he accepts defeat. He has assured the Assembly more than once that he intends to control the business of the Chamber, and certainly not to allow members of the Opposition to control the business. Having been defeated in a matter affecting the control of the House, he rises with his gentle smile and accepts the situation, at the same time assuring us that he is quite prepared to go to the Governor and ask for a dissolution if we will go with him. The Premier has tried to soften down the defeat he has experienced by saying that the Opposition has taken advantage of the absence of certain members from the Government cross-benches. The Premier knew those members were absent when he went into Committee on the Bill. If he was aware of that, why did he take the risk of proceeding with the measure? The Premier challenged this side of the House and he has been beaten, and now he wants to declare that we have taken a mean advantage.

The Premier: Did I take a mean advantage of you last week in connection with the Electoral Districts Bill?

Mr. CARPENTER: I would like to know whether the Government and the Country party have entered into anything like a compact with regard to this measure. We saw an announcement in the paper about a secret caucus meeting which was held in the Premier's office, and it is up to those who were present to tell us whether the members who have left the House this evening are supporters of the Government or not. If the Premier has their votes in his pocket he had no right to twit us with taking advantage of their absence. If he has not entered into a compact with them, he has no right to as-

sume that they would vote with him. With regard to the Electoral Districts Bill the Premier agreed to await the return of some of our members. But the waiting for a week or two will not make any difference when the vote is taken. The vote to-night was taken in a proper manner, and if the Premier, who boasts about his control of the House, cannot keep his men together, he cannot blame us for having our forces here and voting in accordance with our convictions. The Premier said that we tried to do something that was unconstitutional. Some of the best things ever done in the world were carried out unconstitutionally. The debate which has taken place here is a strong protest against the power exercised by the other place, and which the people of the State recognise ought not to be reposed in a Chamber which does not represent the interests of every one. The Premier has told us that he wants power in this Bill to enable him to square the finances. I do not know how long the Premier is going to take to do this. He has already informed the House that it would take him 40 years to wipe off the deficit left by his predecessor in office. If that is the case, how long will it take him, in addition, to wipe off the deficit which is growing every day under his own management? If the Premier and his colleagues are wise they will put their shoulders to the wheel and, so far from attempting to abolish or to sell the State enterprises, they will buck in with a determination to make them profitable, and in that way help wipe out some of the deficit which, during the past five months, has been growing at a more rapid rate than ever before. The Minister for Works has been very honest to-night. He admitted by interjection that the crux of the Bill lies in two clauses, the one we are now discussing and Clause 25.

The Minister for Works: I stated that in my speech.

Mr. CARPENTER: I have just gone through that speech, and I find that seven-eighths of it was confined to telling the House that the measure was a machinery one, brought in to assist the Government to control the State enterprises.

The Minister for Works: I said that there were three points in the Bill.

Mr. CARPENTER: The Minister said the Bill was urgently required to enable him to carry on the trading concerns.

The Minister for Works: I said that the Bill consisted of three parts. Turn to page 947 of *Hansard*.

Mr. CARPENTER: He said it was a Bill to give the Government power to control the trading concerns. Now he informs the Committee that the clause we are discussing and Clause 25, which will enable him to sell the concerns without the consent of Parliament, are the only two clauses in the Bill. The chief object of the Bill is to prevent the establishment of any further trading concerns. The Minister himself has been honest enough to tell us that. Yet at election after election the State has approved again and again the policy of public control, particularly of concerns whose purpose is the checking of monopolies?

The Minister for Works: Were sawmills erected against a monopoly?

Mr. CARPENTER: Indirectly, yes.

The Minister for Works: Who was cutting karri?

Mr. CARPENTER: Had it not been for the State mills the combine to-day would have had the same control over karri as it previously had over jarrah. All of these concerns were established to check monopolies, and despite his theories on the subject the Minister finds himself in a position which compels him to re-open the brick works. He does not dare trust himself in the hands of the brick monopoly.

The Minister for Works: Nothing of the sort; absolute rubbish.

Mr. CARPENTER: It has been stated that the hon. member has sold bricks made by the State, and bought them back again at enhanced prices.

The Minister for Works: It is only a statement.

Mr. CARPENTER: The Minister has not denied it. He dares not go on doing that sort of thing, so he has been compelled to re-open the brick works, notwithstanding that the policy of his Government is to dispose of the enterprise. The Government cannot argue urgency for the Bill, because they have all the power they require for control and management of the trading concerns. If they want more power, they

should come and ask for it by way of amendment of the Act. Moreover, there is certainly no urgency for grabbing the power to sell at their own sweet will. What they are trying to do in the Bill is directly contrary to the wishes of the people. I hope the clause will be defeated and the Bill withdrawn.

The MINISTER FOR WORKS: The statement has been made and repeated that I have sold State made bricks and repurchased them at an enhanced price. This is the position: we had a quantity of bricks, manufactured by the late Government, at Beenup. We sold them. Now I am told—I do not know whether it is correct—that the Government, requiring some bricks, purchased some of their own bricks back again.

Mr. Green: At an increased price.

The MINISTER FOR WORKS: Perhaps so. If the hon. member had bought the bricks, would he sell them again at the price he paid for them? It was an ordinary business transaction, if it took place.

Hon. W. C. Angwin: It shows a want of business acumen in the first instance.

The MINISTER FOR WORKS: What rubbish. Would the hon. member say we ought to keep the bricks at Beenup until we wanted them?

Hon. W. C. Angwin: The Government want them all the time.

The MINISTER FOR WORKS: Nothing of the sort. If, when he was Minister, the hon. member could have sold the lot, he would have done so.

Hon. J. Scaddan: Not to buy them back at an enhanced price.

The MINISTER FOR WORKS: The hon. member believes the State bricks to be the best bricks in Western Australia. Would he have had me buy an inferior quality brick?

Mr. Green: You did. You went to Law for a lot of your bricks.

The MINISTER FOR WORKS: Beyond what the hon. member has said, I do not know that the bricks have been purchased at all. The hon. member talks about my starting the brick works again. Would he have me keep them closed? In effect, what he says now is that the Minister has done wrong in re-opening the works and so providing employment for a number of men.

Mr. Carpenter: On a point of order. I made no such statement. I said the Minister, in spite of his own theories on the subject, had re-opened the brick works.

The MINISTER FOR WORKS: If I took the hon. member to task for every occasion on which he has misquoted me, I should keep the Committee here till tomorrow morning. If he did not use those exact words, what he meant was that the works were stopped by the member for North-East Fremantle in May. I found them stopped, and sold the bricks, and by so doing I made the opportunity so that, if the need came along, we could re-start the works. If I had not sold that million and a half of bricks which were stacked at Beenup, we could not have restarted the works, because we would have had no room to accommodate the bricks we would be making. I would certainly sell the works if I could.

Mr. Carpenter: And lose money by buying them back.

The MINISTER FOR WORKS: The hon. member misquoted me and did so deliberately, and with a purpose. In my second reading speech I said there were three points in the Bill, one being that we were not going to have the works established without the consent of Parliament, and another was that we desired to have the right to sell the works, and that beyond these two controversial points the rest of the Bill (25 clauses) was simply necessary—

Mr. Carpenter: Padding.

The MINISTER FOR WORKS: They were not padding but common sense and business. The remainder of the Bill contains provisions which are required by the men who are managing these concerns to enable them to carry on the work in a business-like style. I said that the late Premier introduced a Trading Accounts Bill. He told the House that the Bill would provide what it does not provide. We find that the Trading Accounts Bill does not enable us to do what we should do. There are 25 clauses in this Bill, which put the business affairs on a proper footing.

Mr. Carpenter: We will give you all these if you knock the other two out.

The MINISTER FOR WORKS: The hon. member twits the Premier, who said

that he was prepared to go to the country to-morrow. The hon. gentlemen on the other side of the Chamber, however, are not prepared to go to the country.

Hon. J. Scaddan: Give us a chance to go.

The MINISTER FOR WORKS: The hon. gentleman can have his chance. There is not a member on that side of the House but is afraid to go to the selection ballot.

Mr. Taylor: Give us a chance.

The MINISTER FOR WORKS: They are going grey on the subject and do not know where they are. The member for Hannans says he represents the Labour party. What Labour party does he represent? There are half a dozen Labour parties represented here to-night.

Mr. Munsie: I represent the only Labour party which is in existence, and I am prepared to face them to-morrow. You are afraid to go to the country.

The MINISTER FOR WORKS: The member for Fremantle said it was not the object of the Labour party to meddle with private enterprises but to break up monopolies. His party did not go in to break up the monopoly in sawmilling when they entered into that infamous compact with the powellising company. The concerns that were taken over by the British Government, and which had been established by private enterprise, were the means of the Imperial Government being able to carry out work which the Government concerns were not in a position to do. But for these private enterprises, where would Great Britain have been to-day? If it had not been that the Germans had taken out of Belgium all the lathes and machine tools available, Germany would not have been making its munitions to-day.

Mr. Munsie: Why did the Government take over these explosive factories?

The MINISTER FOR WORKS: They took them over at a time of national emergency. Where was the emergency for starting fish shops, sawmills, implement works and brick works?

Mr. Munsie: Because they were necessary in the interests of the people.

The MINISTER FOR WORKS: The British Government took over the factories in a time of national emergency to supply the requirements of the British Empire.

They took over factories which had never previously attempted to make a gun or a shell. But those establishments contained suitable machinery, and the British Government took them over for the needs of the nation.

Mr. Munsie: The British Government took them over because the private owners were exploiting the supreme necessity of the nation.

The MINISTER FOR WORKS: The great Imperial question is dragged in for the purpose of assisting the Opposition on a comparatively petty question such as this. Perhaps, in view of the absence of certain members, the amendment may be carried to-night; but it is against the Constitution. It represents an amendment of the Constitution by backstairs methods. The member for Mt. Margaret said that this clause gave more power to the House of restricted franchise; but he knows very well that that is not so. The member for Bunbury I need pay no attention to, since his own party disregard him. The member for Leonora talked about superphosphate, but it was conclusively proved here, the other evening, that the price of superphosphate was raised in the Eastern States before it was raised in Western Australia. If hon. members will refer to my opening speech, they will find that it does contain what I assert it contains. Now hon. members have the position before them, let them chew it over and take it as they please.

Hon. J. SCADDAN: May I draw attention to the fact that the British Empire is engaged in a supreme struggle while members of this Chamber apparently glory in a continuance of the old party warfare? The Minister who introduced this Bill admitted that it was practically a measure of one clause. That is the clause we are now discussing. It is surprising that the Government should at this time bring down a controversial proposal which just now means nothing to them or to us or to Western Australia or to the British Empire. If the desire of the Government is to dispose of the State trading concerns, why do they not introduce a Bill for that single purpose? Why do they introduce a measure ostensibly to amend the Act which controls the manage-

ment of the State enterprises? Assuredly, the present Government do not require Parliamentary authority to do something which they have no intention of doing. The real purpose of the Bill is to prevent any future Government of this State from establishing trading concerns, even in accordance with the wish of the majority of the people. Why does not the Premier bring down a Bill to deal with the gambling evil or with the liquor question, instead of this measure? No one is now agitating for or against something which cannot possibly occur until a change of Government has taken place. The veil of pretence is too thin. The object of the one clause of the Bill is to enable one session of Parliament to thwart the will of the people as expressed through the ballot box. I personally hold the amendment of the member for Guildford to be absurd; but the clause is equally absurd. Let me suggest that a cessation of this party bickering can be achieved by the withdrawal of the clause, which is of no value to the Government. After the general election, either our friends opposite will come back with a mandate from the people to abolish the trading concerns, or we will come back with a mandate to continue and perhaps to extend them. The Premier asked the people of the State to support his party because they were men of business ability. They have now been in control of the Treasury benches for six months, and in that time they have built up a record deficit. It is not merely a matter of loss of revenue that has helped to swell the deficit, but absolute extravagance in nearly every department controlled by Ministers. Hon. members opposite taunt us with being controlled by outside organisations, but that comes very well from them. The Liberal party to-day are controlled by a third party, representing eight constituencies in this State, and these Liberals have had to swallow holus bolus the policy dictated by those eight members. On the records of the House even do we find a reference to the fact that the policy of the Government was dictated by the Country party.

The CHAIRMAN: The question before the Committee is whether the amendment should be carried.

Hon. J. SCADDAN: We have been accused by the Premier of being compelled at the dictation of organisations outside to do certain things, and I am replying to that statement to show that he himself has to obey another party.

The Premier: That is not true.

Hon. W. C. Angwin: How many Bills have you withdrawn at their instruction?

The Premier: None.

Hon. J. SCADDAN: If the statement made by the Minister for Works to-night is correct, that the policy of the Government was to sell the trading concerns, why did they bring down a Bill to amend the provisions of the Act now in operation?

The Premier: You know there is no hope of selling these concerns reasonably within the next three or four years.

Hon. J. SCADDAN: I would not put it past the present Government to sell the State trading concerns on unreasonable conditions.

The Premier: That is your opinion; no one takes any notice of it.

Hon. J. SCADDAN: And if the Government sold the trading concerns the money would not go towards reducing the capital cost of any of them, it would go into the Government Property Trust Account and then to revenue, and in that way the Government would reduce their deficit.

The Premier: The Property Trust Account funds do not go into revenue.

Hon. J. SCADDAN: I know the procedure as well as the Premier knows it.

The CHAIRMAN: Order! The question is whether the clause be struck out. The Government Property Trust Account has nothing whatever to do with the matter before the Committee.

Hon. J. SCADDAN: I say it has everything to do with the sale of the trading concerns, but I will bow to the ruling and keep to the clause. I was replying to the statements which the Premier was allowed to make without any check. It has been claimed that the only reason why the British Government took control of many of the enterprises at Home, previously controlled by private companies, was because of the national emergency. If it is good in the time of national emergency, why is it not

good in normal times? If the Premier does not want party strife he should drop this clause, which does not affect his Government in the slightest degree, and cannot affect any other Government until there is an appeal to the electors. If the decision of the electors is in the direction he desires in the Bill, then we can no longer object. I do, however, object to a party of 17 without a mandate from the people attempting to pass a measure such as this through the House.

Hon. W. C. ANGWIN: Every trading concern which was introduced by the previous Government was established constitutionally and with funds which were also constitutionally provided.

The Premier: They were established before the funds were provided.

Hon. W. C. ANGWIN: That is not so. The starting of the State hotels, the State sawmills, the State refrigerating works, the Government abattoirs, and the City markets was the work of the Liberal party, who also promised State shipping facilities for the North-West. Who promised the freezing works at Wyndham? The Liberal Party.

The Minister for Works: Who made a mess of them?

Hon. W. C. ANGWIN: You did. The cost jumped immensely directly after you took charge. The late Government started the brickworks and thereby appreciably reduced the cost of bricks. They started the manufacture of agricultural implements at works already in existence. They started meat distribution with beneficial results to thousands, and they provided a pure milk supply to the hospitals, which has been the means of saving the lives of hundreds of children in the metropolitan area. These were the only additions made by the late Government to the policy of State enterprises. The position to-day is—

The Minister for Works: Very unsatisfactory.

Hon. W. C. ANGWIN: And will be as long as the hon. member remains where he is. The Minister for Works pointed out that a large loss was likely to accrue through the operations of these enterprises, and declared that steps should be taken to avoid it; yet the Premier has said that he hopes to get

£100,000 on the services during the year. There is no necessity for the clause. I agree that Parliament should be notified of an intention to start any new trading concern. Each such concern started by the late Government had the approval of the electors. The clause will take away the power of the people, and give it to a minority. Members of the Assembly should jealously see to it that their privileges are not handed over to another Chamber. A little time before Christmas the Legislative Council passed the Revenue Estimates and a Loan Bill for a million and a half in about six minutes, and it was not until the third reading stage of the Appropriation Bill that one or two members thought it advisable to say something. Members in another place did not even take the trouble to read the Bills sent up to them. The Minister merely moved the second reading and sat down, and when the measure reached the Committee the Chairman put it through as rapidly as possible. It is necessary that members of this House should strictly maintain their privileges. It has been stated that at the Labour conference I took up the attitude that we should not establish any further trading concerns. What I said was, "Let us make a success of those already established before we go any further." Had it not been for the abnormal conditions of the past three years, the established trading concerns would have shown far better returns than they have done.

12 o'clock midnight.

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

Ayes	..	..	..	..	17
Noes	..	..	..	..	16
Majority for					1

AYES.

Mr. Angwin	Mr. Mullany
Mr. Carpenter	Mr. Munste
Mr. Chesson	Mr. Scaddan
Mr. Collier	Mr. Taylor
Mr. Foley	Mr. Thomas
Mr. Green	Mr. Underwood
Mr. Hudson	Mr. Walker
Mr. W. D. Johnson	Mr. O'Loughlin
Mr. Lambert	(Teller.)

NOES.

Mr. Allen	Mr. Nairn
Mr. Butcher	Mr. Robinson
Mr. Connolly	Mr. Smith
Mr. Cunningham	Mr. S. Stubbs
Mr. Gardiner	Mr. Thomson
Mr. George	Mr. Willmott
Mr. Lefroy	Mr. F. Wilson
Mr. Mitchell	Mr. Hardwick

(Teller.)

Amendment thus passed.

Hon. J. SCADDAN: I move an amendment—

That Subclause 2 be struck out.

The CHAIRMAN: The hon. member cannot move such an amendment.

Hon. J. SCADDAN: Then, I would like to move that all the words after "to" in the subclause be struck out.

The CHAIRMAN: The Committee have decided that the words "Legislative Assembly" shall remain.

Mr. TAYLOR: It is not necessary to move to strike out Subclause 2 as amended. The position is that we must vote against it. We want to deal with the subclause.

The CHAIRMAN: A subclause is not put separately to the Committee. The Committee have already decided that all the words of the subclause, with the substitution for the word "Parliament" of the words "Legislative Assembly" shall remain.

Hon. J. SCADDAN: I recognise that the clause as amended is absurd. I am not going to make myself look foolish in the matter and will, therefore, vote against the whole clause.

Question (that the clause as amended be agreed to) put and a division taken with the following result:—

Ayes	..	..	..	..	16
Noes	..	..	..	..	17

Majority against .. 1

AYES.

Mr. Allen	Mr. Robinson
Mr. Butcher	Mr. Smith
Mr. Connolly	Mr. S. Stubbs
Mr. Cunningham	Mr. Thomson
Mr. Gardiner	Mr. Willmott
Mr. George	Mr. F. Wilson
Mr. Lefroy	Mr. Hardwick
Mr. Mitchell	
Mr. Nairn	

(Teller.)

NOES.

Mr. Angwin	Mr. Mullany
Mr. Carpenter	Mr. Munsie
Mr. Chesson	Mr. Scaddan
Mr. Collier	Mr. Taylor
Mr. Foley	Mr. Thomas
Mr. Green	Mr. Underwood
Mr. Hudson	Mr. Walker
Mr. W. D. Johnson	Mr. O'Loughlin
Mr. Lambert	

(Teller.)

Question thus negatived; the clause struck out.

The PREMIER: In view of the result of the last division, I must consider what course the Government will adopt with regard to this measure. I therefore move—

That progress be reported.

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

Ayes	..	..	..	..	16
Noes	..	..	..	..	17

Majority against .. 1

AYES.

Mr. Allen	Mr. Nairn
Mr. Butcher	Mr. Robinson
Mr. Connolly	Mr. Smith
Mr. Cunningham	Mr. S. Stubbs
Mr. Gardiner	Mr. Thomson
Mr. George	Mr. Willmott
Mr. Lefroy	Mr. F. Wilson
Mr. Mitchell	Mr. Hardwick

(Teller.)

NOES.

Mr. Angwin	Mr. Mullany
Mr. Carpenter	Mr. Munsie
Mr. Chesson	Mr. Scaddan
Mr. Collier	Mr. Taylor
Mr. Foley	Mr. Thomas
Mr. Green	Mr. Underwood
Mr. Hudson	Mr. Walker
Mr. W. D. Johnson	Mr. O'Loughlin
Mr. Lambert	

(Teller.)

Motion thus negatived.

Clauses 5 to 8—agreed to.

Clause 9—Interest on capital expenditure from Revenue:

Hon. W. C. ANGWIN: From the balance sheets issued by the Government I observe that interest has been charged to the State Implement Works over the year just expired, the Government claiming that the works have been short-charged as regards interest. I wish to point out that, largely, this will mean merely the taking of money out of one

pocket for the purpose of placing it in another pocket. The larger proportion of the work done by the State Implement Works is done for other Government departments. On the 30th June last no less a sum than £34,000 was owing by Government departments to the State Implement Works for work done. If interest is to be charged on that amount, loan works would be debited, and the Consolidated Revenue correspondingly credited. Thus, nothing would be either gained or lost by charging interest as proposed.

Clause put and passed.

Clauses 10 to 24—agreed to.

Clause 25—Power to dispose of assets:

Hon. W. D. JOHNSON: This is an important clause, which cannot be agreed to in view of the divisions which have taken place. The very idea of the Minister for Works asking Parliament for power to dispose of the State trading concerns without consulting Parliament is too ridiculous for comment. The clause should be deleted. I shall vote against it.

Clause put and negatived.

Clause 26 put and negatived.

Clauses 27, 28—agreed to.

Schedule put and negatived.

Title—agreed to.

[The Speaker resumed the Chair.]

Bill reported with amendments.

House adjourned at 12.20 a.m. (Friday).

Legislative Council,

Tuesday, 6th February, 1917.

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

PAPERS PRESENTED.

By the Colonial Secretary: 1, Lands and Surveys Department: (a.) By-laws of Three Springs public cemetery; (b.) Wagin cemetery.—Statement of receipts and expenditure; (c.) Mount Barker cemetery.—By-laws; (d.) Fremantle public cemetery.—By-laws; (e.) Karrakatta public cemetery.—By-laws; (f.) Geraldton common reserve 2523.—By-laws; (h) Carnarvon commons.—Amendment of By-law No. 4; 2, State Brick Works.—Audit of Accounts for year ended 30th June, 1916. 3, Public Library, Museum, and Art Gallery.—Report of the trustees for year ended 30th June, 1916. 4, Report of the Inspector General of the Insane for periods ending 31st December, 1915, and 30th June, 1916. 5, W.A. Government Tramways.—Returns of receipts and expenditure, quarter ended 31st December, 1916. 6, W.A. Government Railways.—Reports in accordance with Clauses 54 and 83. 7, Land Act, 1898.—Timber regulations.

BILLS (2)—FIRST READING.

1, Friendly Societies Act Amendment.

2, Ports and Harbours.

Introduced by the Colonial Secretary.

MOTION—EXTENSION OF FRANCHISE TO RETURNED SOLDIERS.

Hon. J. W. KIRWAN (South) [4.36]: I move—

That in the opinion of this House the franchise for the Legislative Council should be extended to all returned sol-