

reserve! That is all we have. There are about 3,000 maritime reserves and seamen, and about 1,000 men prepared to work aircraft. We should have a force of a quarter of a million men. If we had 250,000 men being trained and ready to use rifles or other munitions of war—

Hon. G. W. Miles: That would do away with all the sustenance business.

Hon. E. H. ANGELO: If it went out to the world that Australia had 250,000 soldiers ready, there would be no invasion of our land. To hear people say that they are not in favour of conscription! I am in favour of conscription for home defence. People may retort, "Yes, you are too old to go." I tried my hardest to go to the South African war. When the Great War began, in 1914, I consulted a doctor, and he told me that I had a bad heart and had only two years to live. Thank Heaven, I was able to do something in a private position during the Great War! I have always regretted the fact that I am the eldest son in seven generations who was not an officer in the British Army. At any rate, we must have conscription; and I trust that on the first day the Federal Parliament meets, conscription will be brought in. Every boy at school old enough to handle a rifle should be taught drill. Every boy on leaving school should be taken into a training camp; but if a boy in a training camp could at any time show that he had either been promised a job or the chance of a position, let him out. But gather in every able-bodied that we can, on the strict understanding that this conscription means Australian defence. If later on it is necessary to send troops out of Australia, call for volunteers amongst the trainees. We shall get plenty if they are asked to go out. Conscription, however, I want to see introduced for Australian defence. There is not a man in Australia who would not fight to prevent burglars or murderers from coming into his home and perhaps ill-using or killing his family. Service in Australia amounts to exactly the same thing, and plenty of men will volunteer if required abroad. But for the defence of Australia itself every lad and every man should be prepared to be conscripted so that he can do his share. I am indeed sorry to think that we have to do it. I do not like conscripting men. I do not like to send any man to do a job that he would not do voluntarily and with goodwill. However, we are now in such a position that

we have to take drastic action. It is vitally necessary. We have all done our best to make a little money and save it for the benefit of our families. Nearly all of us have insured our lives, and all our assets are held by the life assurance companies. The banks hold the deposits which are to see us through our old age. Every one of those securities may go suddenly unless we are prepared to defend ourselves against aggression. A nation not far from us now has submarines that can go to Sydney and return without re-fuelling, submarines that can stand 25 miles out and shell Sydney to pieces. I was told that in Sydney by the Minister for Defence some years ago. The sooner we have a quarter of a million trained men and a thousand aeroplanes the better. No time should be lost in putting us into a position of more assured safety than exists at the present day. I have only one fear. I am not afraid of the results of conscription. I think that when the people realise the position, the matter of conscription will not make any difference to politicians advocating it. Not that I, for one, care a hang. I certainly advocate conscription for home defence. My only fear is that already we may be too late.

On motion by Hon. G. B. Wood, debate adjourned.

House adjourned at 6.12 p.m.

Legislative Assembly.

Thursday, 13th August, 1936.

	PAGE
Question: Railways, sheep trucks	101
Committees for the Session	102
Address-in-reply, fourth day	102

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

QUESTION—RAILWAYS, SHEEP TRUCKS.

Mr. SEWARD asked the Minister for Railways: 1, How many new CXa (sheep) trucks have been constructed during the last

three years? 2, How many are in use on the railways to-day? 3, How many old type sheep trucks have been fitted with a waterproof roof and floor during the last three years?

The MINISTER FOR WORKS (for the Minister for Railways) replied: 1, 38. 2, 73. 3, 17, and in addition 28 trucks have been fitted with waterproof roofs.

COMMITTEES FOR THE SESSION.

On motion by the Minister for Mines (for the Premier), Committees for the Session were appointed as follows:—

Library.—Mr. Speaker, Miss Holman, and Mr. Patrick.

Standing Orders.—Mr. Speaker, the Chairman of Committees, Mr. Doney, Mr. Johnson, and Mr. Sampson.

House.—Mr. Speaker, Mr. Lambert, Mr. McLarty, Mr. Stubbs, and Mr. Wilson.

Printing.—Mr. Speaker, Mr. J. MacCallum Smith, and Mr. Withers.

ADDRESS-IN-REPLY.

Fourth Day.

Debate resumed from the previous day.

MR. WATTS (Katanning) [4.34]: I wish first of all to join with those who have congratulated you, Mr. Speaker, upon your re-appointment to the Chair. I have not been a member of this Chamber for a long period, but I have been struck with the even-handed justice you have dispensed to all members, and I am appreciative of the manner in which you received me when I first entered the Chamber, and the assistance you have always been prepared to give me when I required direction. I trust you may be just as satisfied during this Parliament with your seat in the Speaker's Chair as I believe you were during the last Parliament. I propose to touch upon one or two matters of local importance in my electorate, and one or two others that, in my view, are of importance to the greater portion of Western Australia. The first I will deal with is, naturally, a local matter. It has to do with the water supply in my home town of Katanning. It may be of interest to members to know that while the reservoir at that centre is supposed, when full, to contain 31,000,000 gallons, the contents unfortunately over a period of years have contained at best about

20 per cent. mud. Despite the supposed capacity, at the present time, notwithstanding the period of the year and the rainfall of over 10 inches, there are only 2,000,000 gallons in the reservoir. We have 2,600 people in Katanning, and members will appreciate the position if present conditions continue. Were this a new state of affairs, I would hardly have referred to it, but over a long period of years it has happened quite regularly. What we are going to do regarding the matter is a little problematical. When I inform you, Sir, that not only does the local Government hospital rely upon this source for its water supply, but, in addition, two butter factories and the large number of persons represented by the population of the town, you will realise that the local authorities, who are in charge of the scheme, are at their wits' end to know what to do for its betterment. Because they were anxious to do something, they determined to request the Minister to supply them with the services of an engineer, which he kindly did. I trust that engineer's report will convince the Minister that the local authorities are not in any way responsible for the condition of the water supply for the town; that they have done their best to supply water in sufficient quantities and to provide the best water possible in an area where all such catchments are liable to salinity; and, finally, that they are undoubtedly deserving of support respecting the application that has been made during the past few weeks for assistance in connection with the payment of interest and sinking fund on a further amount they propose to spend in the hope that some good may result. It is all very well to inform the local authorities, as has been the position in the past, that it is merely necessary to increase the rates. Such an increase in order to meet expenditure, the results of which are problematical, is really no way to render assistance to the local authorities, in view of all the circumstances. When I say that, it brings me to the whole question of water supplies along the Great Southern line. It is very doubtful whether the system of continuing local schemes will be definitely successful in the future. The Pingelly scheme is a total failure. There is the trouble at Katanning that I have already referred to, and the people at Narrogin are in trouble with regard to their water supply. Gnowangerup, Mt. Barker and Tambellup have no water supplies at all. It has

been suggested that water could be obtained from which all those centres could be supplied, but it would be at a substantial cost. It is also stated that places farther east require water supplies, particularly in a dry season such as we have experienced recently; but that action would involve great expense. It is always suggested that the only way to meet that expense is to place the incubus of payment of rates on the farming community through whose land the water pipes may run. Unfortunately, the farmers in the Great Southern have been obliged, through the absence of a proper water supply, to expend large sums in the provision of their own supplies. The average farm there is capitalised at not less than £350 for water supplies, upon which the interest at a flat rate per annum would represent about £20. In other areas where, fortunately, a water supply was provided before settlement, it is quite right that such a suggestion should be made regarding payment of rates. On the other hand, far more careful consideration must be given to the position in the Great Southern, for the reasons I have outlined. Nevertheless, I believe it is the duty of any Government to bear in mind the undoubted value to the State that the areas throughout the Great Southern have been in the past, and will be in the future, and to consider carefully whether money can reasonably be expended there. The Government should consider whether they should not be content to take by way of revenue what can be obtained from those in the town and its vicinity, who are served, and allow the remainder of the cost, in recognition of the undoubted value of the Great Southern to the finances of the State, to be a charge against Consolidated Revenue. In my opinion, that is the way this question should be approached. It is of no value to persons in the Great Southern, who are confronted with such a difficult problem regarding water supplies, to be told that nothing can be done. Were the conditions that exist in Katanning to-day to be found in the metropolitan area, they would not be tolerated for one moment. In 1928 the present Premier visited Katanning and, if I remember aright, he received a deputation from the local authorities who requested him to take action in the direction of rebuilding the local court and police quarters at Katanning. At that time, the Premier made a very definite promise that the necessary money would be placed on the Estimates for the coming year, which would

be, I think, 1929. That promise did not materialise. I will not criticise the Premier at this juncture regarding the absence of the provision, because I recognise the reason. The question of finance became more and more difficult, and the people of Katanning have long since forgiven the absence of provision for the rebuilding of the premises, plans for which had already been prepared. I do not know what the estimated cost of the work was, but I think it was in the vicinity of £5,000. Since that time there has been no improvement regarding the local court and police facilities. There is no provision for witnesses. Frequently, during the hearing of a case, witnesses are ordered out of court and they are required to stand outside in the sun during summer or in the rain during the winter. There is no room available for the magistrate, and when he has to confer with parties in Chambers, he has to do so in the office of the clerk of courts. That office itself is totally inadequate for an officer who is not only clerk of courts but registrar of births, deaths and marriages, and a dozen other things as well. The existing facilities are totally unsatisfactory. During the last few months representations have again been made to the Government, not for the substantial expenditure originally suggested, but for some improvement. It commenced with an application for an additional room for the police office. At Katanning we have a sergeant and three constables who deal with the large number of persons in the town and district. For instance, they have over a thousand motor drivers' licenses to deal with. The officers have discussed the matter with me privately and pointed out that the four officials find difficulty in transacting a large volume of public business in a room approximately 13ft. x 12ft. Notwithstanding that we have made representations, we have been informed that nothing can be done. I make this very definite appeal to the Minister to-day that he should bear in mind, firstly, the fact that we have had a definite promise made to us which, as I have said, could not be honoured, and, secondly, that we are not pressing for that promise to be honoured to-day, but are only asking that some slight amelioration of the circumstances, which he knows and I know are particularly bad

in this connection, should be granted. I suppose one of the more important matters confronting us to-day is that of the relations between the Agricultural Bank and the farming community in this State. In 1934 the Agricultural Bank Bill was brought down and subsequently became law. It was supposed in many quarters that it would usher in, as it were, a new era in the relationships between the Agricultural Bank and the farming community.

Hon. W. D. Johnson: There is no doubt about that.

Mr. WATTS: It was supposed, in addition, that it would solve all the problems that were troubling the farming community.

Hon. W. D. Johnson: That is doubtful; I do not agree with you there.

Mr. WATTS: I realised how necessary it was to solve all the problems facing the agricultural community, but I offer up a small thanksgiving that I was not amongst those who subscribed to the measure.

Hon. W. D. Johnson: You voted for it.

Mr. WATTS: I was not here.

Mr. Raphael: You were in spirit, if not in person.

Mr. WATTS: Not on your life! The late Mr. Arnold Piesse represented Katanning at that time and he wrote to me sending me a copy of the proposed enactment. As an example of whether I was with it in spirit, I told him that I was satisfied certain clauses would prove death-traps to the unwary. And so they have proved. I would first of all make reference to the Commissioners themselves. I anticipated that they would make some endeavour at least to place themselves in personal contact with the men on the land, with whom they had to deal, in order to get first-hand information of the affairs of their various clients. I think the Minister who introduced the Bill was of opinion that the Commissioners would do something along those lines. I find in "Hansard" of 1934, page 832, the following statement by the Minister for Lands:—

I am convinced that the Bank Commissioners must be able to travel around the country and inquire into the administration. They will then have a grip of the position and the administration will be more satisfactory. At present it is not possible for the trustees to get a proper grasp of what is happening in the country because they have little personal contact.

I join with the Minister in those expressions. Had they done that—and I submit they have had ample time in the last 12 months to do a considerable amount to improve the relationship existing between themselves and the farmers—those relations would have been very much more satisfactory, but I do not think anyone can claim that they have endeavoured to establish that personal contact. They do not realise, in my belief, the effect of Section 51 of the Agricultural Bank Act on a great number of the farming community. I am going to preface my remarks by saying that I realise the necessity for the control of the financial position by the Agricultural Bank. I know that the Commissioners cannot pay their dues to the Crown unless they can collect the interest from clients. I shall not dwell upon that point more than I can help, but although I bear that financial obligation well in mind, I think the method in which Section 51 has been administered has been rather too harsh, and that is expressing it lightly. Section 51 provides that in connection allegedly with one year's interest the Agricultural Bank shall have a lien over all crops, wool or wool clips, butterfat produce, livestock, etc. There is also a provision in the Act that, if any refunds are made out of the year's interest paid, the Bank is to have a lien in respect of them also. Say the amount was sufficient for a year's interest only, but for the amount refunded. In the following year there would be a lien for the year's interest, plus the refund plus what was left unpaid in the year before. Consequently it becomes a lien, not for one year's interest but for a more substantial amount. The average farmer would like the lien to be exercised for the amount of one year's interest, but he should be allowed to administer, for the carrying on of his property, any balance that might remain. Yet the Agricultural Bank Commissioners claim that they are entitled to the whole of the proceeds that the lien may extend to, and dole the remainder back to the farmer by monthly instalments of whatever amount is considered justified. I do not think that was the intention of the Legislature when it passed the measure. If it was going to grant a lien for one year's interest, I think it definitely intended that any surplus should be the property of the farmer to carry on the work of the farm, and that he should not be asked to go back almost as a mendicant for the surplus. Yet,

in many cases, that is the position, and I maintain it is high time that we prescribed plainly what are the definite powers of the Bank in regard to this particular matter. Another section of the Act provides that when the Bank is satisfied that the value of the security is not equal to the amount of the liability, and is not likely to appreciate so as to become equal to the amount of the liability, and the relationship of the Bank with the farmer over previous years has been satisfactory, the Bank may write down the indebtedness of the farmer. That, to my mind, is quite a reasonable proposition, but I do not think that the intention has been carried out by the administration. Nor, possibly, does the Act provide a proper way in which it could be carried out. The method of valuing the land is the most important aspect of the section. It depends on the value of the land entirely. As I understand the position—I am open to correction if necessary—the value of the land is arrived at by adding to the alleged unimproved value—I use the word “alleged” advisedly because some of the land has very little unimproved value—the value of the improvements. Those two values together will not in any circumstances give what the farm is likely to produce, and from the point of view of payment of interest and other dues, it does not give what the land is worth per annum to the farmer. When I say “to the farmer” I mean also to his creditors, because it is impossible to extract from the property more than can be obtained from the crops, etc., produced. If the basis of valuation took more into consideration the productivity of the land, I have no doubt whatever that the success of that section would be much greater than it is. I merely point this out in the hope that that method of valuation will be given consideration. There is no doubt in my mind that one might take two exactly similarly improved properties, the improvements costing almost exactly the same amount, in different portions of any district, and although they might be valued similarly from the point of view of unimproved value, with improvements relatively much the same, actually the values are considerably different, and, from the point of view of productivity, probably poles apart. So I offer the suggestion that that method of valuation should be taken into consideration in an effort to assist, not

only the farming community, but also the Commissioners of the Agricultural Bank, to get some uniform basis to enable them to arrive at answers to the very difficult questions they have to answer regarding that section of the Act. It is a peculiar thing, too, that although the Agricultural Bank has power to write down the debt when it is satisfied that the security is not equal to the amount of the liability and is not likely to appreciate to that value, there have been cases—I have known one definitely—where a writing down was applied for and the applicant was informed that the amount could not be written down because his property was worth more than the debt. Let me here mention that that farmer's stock was unencumbered. By the next mail there arrived a letter from the bank requesting the farmer to give additional security over the stock. If the security of the land was sufficient to cover the amount of the liability, what need was there for further security, unless it be that the Commissioners of the bank, in their eagerness and zeal to put this matter on a still better footing, lost sight of the personal equation and personal contact to which I have referred, and decided that they must have more security and even an entire grip of the man's affairs. Bound up with the question of the Agricultural Bank Act is, of course, the Rural Relief Fund Act passed last session. Again I can disclaim almost all responsibility regarding that legislation, because I arrived here on the last day of its discussion. There is one thing that I think is lacking from the Rural Relief Fund Act. I recall that an effort was made by the member for Avon to have something placed in the Act to provide for local debt adjustment officers. I believe that a reference to them appears in the Act, but that they are not clothed with any power. It seems to me very necessary that such officers should be appointed, not, if possible, from amongst Agricultural Bank officers in the country districts, but disinterested and local persons could be found who might take some local control over the matter of rural relief. In the sister State of Victoria power is given to such officers to issue stay orders, to call meetings of creditors and generally, except for the final approval of the Rural Relief Fund

Board, to deal with the matter almost from start to finish. It is apparent, I think, that local information and local knowledge must definitely be of advantage in matters of this kind, and I hope the Minister will see fit to introduce an amendment to make provision for local debt adjustment officers here such as is found in the Victorian Act. I hardly know whether this is a weakness in the Act or in the administration, but there seems to be no determined attempt made to deal with the problem of secured creditors. I am not one to say, "You must compulsorily write this down or that down." But there are times when it is essential, if we are to preserve the decent men upon their properties, just as there are times when it is essential that the Agricultural Bank should do it, that the secured creditor must receive very definite consideration in regard to the amount of his debt. The Rural Relief Act in combination with the Farmers' Debts Adjustment Act makes provision for the suspension of secured debts. I believe that in a few instances advantage has been taken of that power. A great many of the cases which have come before the board have resulted in arrangements being made most satisfactory to secured creditors, but most unsatisfactory for a number of unsecured creditors. The board appears to have it in mind that the smallest amount possible should be paid to the unsecured creditor, and the greatest amount possible to those who have some security, the first mortgagee not being tackled because the Act expressly exempts him without his consent. I do not advocate that we should compulsorily achieve everything in five minutes. Everyone should be given a fair deal in such matters. There are, however, cases where extraordinary action ought to be taken, and the power of suspension could be used for that very purpose. If Subsection 3 of Section 31 of the Victorian Act were brought into force, that power of suspension would definitely have the effect necessary, without any element of compulsion except in the rarest cases, and then after a period of five years' suspension. This section would undoubtedly have the effect of making arrangements for secured creditors, where the circumstances of the farmer were deserving of these cases being met, more easily than is possible at present. The next item to which I would refer deals

with aborigines. A number of articles have appeared in the "West Australian" recently. I have read these with great interest, particularly as they refer to the half-caste problem in the Great Southern. I was glad to notice in the Speech that there is a prospect of legislation being brought down this session to deal with the aborigines question. I had the privilege of giving evidence on behalf of the Katanning Road Board to the Royal Commission when Mr. Moseley was in Katanning. I pointed out on behalf of the board that it seemed to us essential that a better method of providing reservations, and giving the aborigines an opportunity, as it were, to earn their own living on these reservations, should be attempted. I further suggested that some separate type of court should be constituted to deal with offences by aborigines. I still think that both these matters are vitally necessary. We do not want aborigines' reservations close to the towns in the Great Southern, but we do not want the aborigines to be regarded as pariahs and driven out entirely from our midst. They should be given an opportunity to do something for themselves and to become an ornament, at a distance, in our community rather than what they are to-day. Yesterday the member for Claremont (Mr. North) spoke about the extreme value of encouraging secondary industries in order that we, in this State, might provide and then take advantage of the power which he suggested could be obtained from Collie, or at least could be provided by other means. I could not help feeling that he was putting the cart before the horse. He told us it was necessary, in order to increase our population, that we should have secondary industries. I put it to members that it is essential we should first increase our population in order that we might have secondary industries, not that we should increase our secondary industries in order that we might have population. So long as our present monetary system continues we shall have to look first of all to the agricultural districts. We have a very large overseas debt and interest to pay every year. The only exportable matter I can see going from Western Australia is primary production of one kind or another, including gold. No matter what secondary products are produced, I know of no market for them overseas. If we can first dispose of that financial problem—we have to endeavour by every reasonable means to in-

crease the population of the country districts in order to keep solvent in respect to our overseas indebtedness—then we may be able to turn our attention to secondary industries. I admit that once they are in operation, with a largely increased number of employees, they would certainly absorb a greater portion of our primary products than is absorbed at present. It is necessary to go into this question first of all from the country standpoint, and secondly from the metropolitan or secondary industrial standpoint. I am diffident about addressing myself to the next subject, but I would like to hear before the debate closes from members of longer standing than myself if they can explain to me the necessity for an Address-in-reply debate. I admit first of all that I have taken part in it for two or three obvious reasons. One is that the opportunity should not be missed when it occurs, and another is that I see no good reason why I should not take the opportunity when others do so. I have been wondering if an opportunity for a similar effort does not occur at other times during the session, for example on the Estimates, and elsewhere. Would it not be better from many aspects to deal with other matters which I understand, according to the Standing Orders, are delayed until the Address-in-reply is completed? I am a little diffident about arguing that question, and I trust that more learned members will instruct me concerning the advantages to be gained from the Address-in-reply debate.

Mr. Sampson: You will get a prize if you can answer that.

Mr. Wilson: It is an old Spanish custom.

Mr. WATTS: The night before last we heard reference to unauthorised expenditure. Whatever any past Government has done is no concern of mine. There are times when urgent matters crop up, when expenditure must be authorised long before Parliament assembles. There are also times when even such things as State steamers and Claremont trains may be regarded as urgent. I will not discuss either of those subjects now. It is quite right that Parliament should endeavour by every possible means to limit expenditure to authorised expenditure, and to discourage wherever possible the activities of those who would expend money before it has been authorised. This should be so in order that Parliament may not lose its good name amongst the

people, and so that expenditure may be scrutinised by Parliament before it is incurred. We have heard comments from various quarters concerning the activities of the State Transport Board. I do not intend to criticise that organisation. I have made two or three requests to the board during the past year, and have always been kindly dealt with. I am, therefore, not going to criticise it.

Mr. Patrick: That may be because of your size.

Mr. WATTS: I should, however, like to refer to a recommendation of the Transport Board. It affects the provision of funds for a subsidised transport service between Ongerup and the country around Needilup, which is a long distance east of the Great Southern. Some 20 years ago the settlers of the Needilup district, the centre of which is about 20 miles from Ongerup, were definitely promised a railway. No railway has yet been constructed. Many of the original settlers are still there. Bearing in mind the successful results of the transport service on the Boyup Brook-Cranbrook route, I came to the conclusion that it was a proper request to make to the board that similar consideration should be given to the route I have just mentioned.

The Minister for Lands: That is something you might do without coming here.

Mr. WATTS: I have done it. I understand the recommendation of the board is in the hands of the Minister with regard to the financial side. My observations are only directed to asking the Minister and his colleagues, if necessary, to give favourable consideration to the proposal. There are no more deserving people anywhere in the State than these, and no more deserving request than this. The majority of the settlers went to the district on the definite understanding that they would get a railway. They are not going to get it, they do not expect it, and no one will ask for it at present, but I do ask that favourable consideration be given to the recommendation for the provision of transport facilities. On the Frankland River there is a little spot called Rocky Gully. I understand that £64,000 was expended there in unemployment work for clearing, some fencing, and laying down of pastures on a large area of land there. There is nothing wrong with the land, and I am not going to say anything about the expenditure. It is of no use to cry over spilt milk. Although the

land has been thrown open for selection for some time not one application for a block has been received. I understand that the values placed upon it ranged from 9s. 10d. an acre to £2 9s. an acre, and that these values were arrived at by valuing the improvements at only £13,000, there being a loss of about £51,000 altogether. The Minister for Lands has been good enough to tell me that he will be pleased to lease the land to those who desire to take it up, on reasonable terms, provided they look after the improvements. I have asked him twice within the last six or eight weeks to tell me on what terms he will make the land available. At least three or four of the blocks would, I think, be taken up by settlers on the terms suggested if the amounts desired were reasonable. I have not had any information on the subject, but as the Minister is here, I am going to ask him to let me know as quickly as possible what he intends to do.

The Minister for Lands: Did you write to me personally on the matter?

Mr. WATTS: I did.

The Minister for Lands: I have not seen the letter yet.

Mr. WATTS: I have mentioned previously in this Chamber the question of the values which have been placed on the conditional purchase lands in various parts of the State. I have criticised those values by saying that a great deal of the land is nothing like worth, unimproved, the values placed upon it. I have said that a lot of the land should have been given to those willing to take it up, on the sole condition that they would improve it. I firmly hold that belief at the present time. It is not often that one can get any confirmation of such a belief from a Royal Commission, and therefore I cannot let the opportunity pass of quoting the opinion of the Royal Commissioners on the Agricultural Bank regarding certain land valuations in parts of my electorate. These gentlemen were appointed by the Crown to carry out a big task, and I consider that by and large they did it extremely well. Apparently they were highly capable men. One of them, since the conclusion of the Royal Commission's work, has been appointed to a responsible position in the Agricultural Bank. These Royal Commissioners, therefore, were not persons without knowledge of the subject, but persons who were likely to speak the truth wherever they

found it. On page 104 of their report, referring to the Kwobrup settlement, near Nyabing, they say—

The whole of the country on this settlement is of poor quality, and was badly classified by the Lands Department, inasmuch as 75 per cent. of it was classified as first-class, and it was very hard to get two or three hundred acres of first-class land in any of the blocks.

Further on they say—

At this settlement your Commissioners inspected a farm of the area of 1,000 acres. This block was classified by the Lands Department as 965 acres first-class, 35 acres second-class, and priced at 14s. 6d. per acre. The settler, relying on the classification, selected the land in 1910, and has kept on working there since that period. It is a poor, worthless block, and it is a grave pity that this settler and his brother have been chained to this property for so long Salt is appearing on this block, which consists principally of poor mallee country, with an abundance of narrow-leaf poison. It should have been abandoned years ago, and these two hard-working men put on another block in order to make a fresh start. The Lands Department surveyor who classified this land as first-class land should be severely censured.

Those are only a few of the blocks I have in mind when making this reference to the necessity for a re-valuation of a great deal of the conditional purchase land in Western Australia. I know perfectly well that there have been re-valuations made in certain parts, and that a measure of justice has been done in certain parts; but there are other areas where re-valuations have not been made, and there is an opportunity offering to do justice to them. I do hope that in the near future action of that kind will be taken, so that the people concerned will not be in the position of those referred to in the Commission's report on the page from which I have quoted, but in a much more favourable position. I should like to refer to one other matter, the question of hospital taxation. I suggest that consideration should be given to making this taxation if possible, support the hospitals. Numerous people of my acquaintance would be willing, if that could be done, to pay a little more. When one examines the statements of receipts and expenditure in regard to the hospital tax, one finds that a considerable amount is derived from it, but not a very great deal from hospital fees which are collected from those who are able to pay them, but who also pay hospital taxation. Last year no contribution at all was made from revenue. It seems to me that the amount

taken from the hospital tax and the amount that is expended on the maintenance of hospitals are growing so close together that it is high time consideration was given to at least inquiring into the matter of whether a small addition to the hospital tax would not complete the maintenance of the hospitals and allow those who pay the tax to be at least certain of a reasonable amount of free treatment in exchange. The present position seems to be that if you have some money you pay some tax, and if you are sick you pay fees. That is not a fair incidence for those who are in receipt of ordinary wages, because they pay hospital tax and yet are often asked to pay hospital fees as well. The present position is not fair to anybody. It would be a reasonable matter for the Government to inquire into, at least. I may be wrong, but that is how the matter appears to one who is not in a position to go into the details of the subject, details which those in charge of hospitals would be able to go into. If they can conclusively show that the arguments I have put up are wrong, I shall be very glad, and numerous other people in Western Australia will be glad, to hear that such arguments are wrong. But at present there is an impression that this is a tax which you have to pay and that in no circumstances, if you can pay your bills otherwise, shall you get any advantage whatever from the tax.

MR. NEEDHAM (Perth) [5.23]: With hon. members who have preceded me I extend to you, Sir, the sincerest congratulations on your re-election to the Speaker's Chair; and I am sure that you will conduct that high office in this Parliament with the same ability that you have shown during the previous Parliament. I also congratulate hon. members who have addressed themselves to the Speech of His Excellency. I congratulate them at any rate on their speeches. In that reference I include my colleague the member for Kalgoorlie (Mr. Styants), who in making his maiden speech here acquitted himself very well indeed. While congratulating hon. members who have preceded me, I have to make a certain amount of reservation in the case of one hon. member. That hon member is not here at the moment. However, that he is away on this occasion does not concern me. The member for York, the Leader of the Opposition, in addressing himself to His Excellency's Speech, with the persistency that is

characteristic of him attacked the Government, declaring that they had not an employment policy. It is not the first time the hon. gentleman has been guilty of making that statement. One would have thought that, fresh as he was from the general election, he would have tired of repeating such an assertion. During the election campaign he presented what he called a policy to the people of Western Australia. He referred in his policy speech to the all-important question of unemployment. But the electors of Western Australia rejected his policy, and returned Labour to this House to occupy the same position during this Parliament as during the last. The fact that the Government of the day have been returned for another lease of office is proof positive, if proof were wanting, that they have had, and have, an employment policy. Therefore I would have thought that when the Leader of the Opposition was addressing the House he would, for once, have got on to another line of attack and tried to find some other spot in the armour of the present Government that might be weaker than the one on which he has concentrated his attention for so long. That the present Government have an employment policy is the cause of their return to the Treasury Benches. One of the main reasons for their return was the people's knowledge and experience of the Mitchell-Latham Government when trying to handle the unemployment question at the beginning of the years of depression, namely in 1930. The people's experience of the three years from 1930 to 1933 was sufficient warning to them not again to entrust their destinies to a combination of that description, but, on the contrary, to renew their confidence in the Government that had grappled with the problem of unemployment in a highly effective way. If one compares the plight of the unemployed during the Mitchell-Latham regime with their position to-day, one sees a vast difference straightaway. I am not one of those who say that the condition of the relief worker to-day is an ideal one, nor do members of the Labour Government suggest any such thing. The position is not as good as Ministers would like to see it, but certainly it represents an improvement on the position obtaining during the occupancy of the Treasury Benches by their immediate predecessors. With the finances available to the present Government, excellent work has been done. Yes-

terday in this Chamber I asked the Minister for Employment a question without notice bearing on the employment position, and his answer indicated that now and for some time past the Government are and have been busy with a scheme for improving the lot of the unemployed, to bring about full-time work if that is possible, and generally to lighten the lot of those men who have had to bear the brunt of the miseries and difficulties attendant upon the years of depression. Again in reply to the attack of the Leader of the Opposition I say that the present Government have a definite employment policy, and that they have a goal in view which I do not think they will be long in reaching, when there will be a reversion to full time.

Hon. P. D. Ferguson: You are an optimist.

Mr. NEEDHAM: Pessimism will not get us anywhere. If I am optimistic, I have reason to be so. In my opinion, the Minister for Employment would not have given such an answer in this Chamber as he gave yesterday unless he was sure he could fulfil the expectations created in the breasts of hon. members by his reply. I feel confident that the Minister will be able to fulfil those expectations. Until all those men are back on full time, there is no use talking about prosperity. The Speech makes a reference in that regard, alluding to the surplus of some £88,000 for the financial year just closed. That is an evidence of returning prosperity; but I repeat that until the army of 8,000 men now dependent on the Government for employment are working full time, we are a long way from prosperity as we understood that term in the years prior to 1930. Now, while it is a very laudable goal to have in view to get all those men on to full time, still we have to analyse the position very carefully. It will be a very difficult matter to put all men on full time, even all those 8,000 men that are dependent on the Government under the capitalistic regime. My colleague, the member for Brown Hill-Ivanhoe (Mr. F. C. L. Smith), referred to that phase in a very fine address in this Chamber yesterday afternoon. I for one contend that under the capitalistic system of government we have, it is a very difficult matter to get all men on full time.

Mr. Hughes: Then let us abolish the system.

Mr. NEEDHAM: I do not think any member here can assert correctly that prior to 1930, when there were not so many men dependent on the Government, they were all on full time.

Mr. Withers: That never has been so.

Mr. NEEDHAM: There never has been full time for all under a capitalistic regime. But I am prepared to go as far as I possibly can if it means the abolition of capitalistic government to bring about an economic system that will ensure full time to all those that have employment. Under the capitalistic system of government, to use an old saying, "We have the unemployed with us, just as we have the poor." But there is this particular phase of it to which I should like to refer: it may be that out of the depression years, as out of other disasters, a little good may have come. There is, of course, that old saying to the effect that out of disaster comes good. We know that what has happened at any rate is this: that it has compelled the State to recognise its duty to see to it that a man shall have work, the right to live and the right to work. There are numbers of men to-day who unfortunately, owing to physical disabilities, find that they are not able to take on a class of work that is provided by the Government. Most of that work is of a very arduous and laborious nature, and unfortunately for those men, they cannot do that work, and so they are rated "C" class. Many of those men are dependent entirely on the sustenance that is allowed. Prior to the depression years, those men were looked upon as unemployable, and it was contended, and, for that matter, still is contended, that we shall always have unemployables with us. To my mind, it is the evil of the system under which we live and work and try to govern. But at all events the State now recognises that it has a duty to perform towards those people, and so they are assisted. I do not claim, nor does anyone else claim, that 7s. a week per head for those people is sufficient; I am only pointing out that to-day the State recognises, as it never did before, that it has a duty to perform to those people by seeing that they get some kind of living at any rate, whereas prior to the depression years that was not considered, or not in the same way as it is to-day. I

have a distinct recollection of a depression some 14 or 15 years ago, when we had a fair amount of unemployment here in Perth. The present Agent-General, Sir Hal Colebatch, was Acting Treasurer of the State at that time, in 1922, and I remember that the executive officers of the Trades Hall, of which I was the secretary, time after time approached the Acting Treasurer and pointed out the necessity for giving assistance to people who could not get work. I can assure you, Mr. Speaker, we had considerable difficulty in those days in getting that principle recognised. However, that, I believe, was the start of it. But before the full objective is reached, the system will have to extend still farther. While advocating full-time work, and stressing the necessity for it, I do not forget that it will cost a considerable amount of money, and may even tax the financial resources of the State, realising as I do that the State, in common with other States of the Commonwealth, is not master of its own financial destiny. But even though it will cost a considerable amount of money over and above what the existing system is costing, I venture to say that the reversion to full time will almost pay for itself by the fact of its increasing the purchasing power of the people. It is well known that those of us who sit on this side of the Chamber contended at the beginning of the depression that a reduction in wages of employees was not the way to meet the economic difficulties of the depression. We contended that in proportion to the reduction in wages or salaries, they were going to intensify the unemployment position. Why? Because the purchasing power of the community was depleted, and because of that depletion or weakening of the purchasing power, the natural result from an economic point of view was considerable additions to the army of unemployed. That, of course, is an economic fact which is incontrovertible and indisputable. Undeniably this Government did bring about a restoration of wages and salary cuts of the 1930-33 period, and in doing so helped to increase the purchasing power of the community; and then, by giving periods of employment at full rates to men on Government work, they still further increased the purchasing power of the community. So I say that reversion to full

time, although it may tax the financial resources of the Government, living as they do from a financial point of view on the goodwill of capitalists, surely it is worth trying, for it will eventually pay for itself. I often hear it said that the power of the State is sovereign. There was a time in the history of parliamentary Government in this State when the power of the State was sovereign; but that is not to-day, nor has it been for many years past. There is not a State Parliament in the Commonwealth that, in the true sense of the term, is sovereign. I will go farther and say that the Commonwealth Parliament itself is not a sovereign entity in its realm, any more than is any one of the States. My reason for saying so is that a Parliament or a Government that has not full control of its own finances cannot be a sovereign entity. From the day the financial position was handed over to the Loan Council, and from the day the people of the Commonwealth included the Financial Agreement in the Commonwealth Constitution, the sovereignty of all Australian Parliaments, State and Commonwealth, went by the board. Thus we have to go from time to time to the Loan Council asking for assistance to carry on the public services of the country. The six State Treasurers, together with the Commonwealth Treasurer, meet at the Loan Council, and what do they do? They agree to present a request to the Commonwealth Bank for a certain sum of money which, they say, is the irreducible minimum to enable them to carry on His Majesty's services in this Commonwealth of Australia. Each Treasurer, or his department, has gone into the accounts before attending the Loan Council meeting, and he knows what is the smallest amount that will enable him to carry on. The Treasurers meet at the Loan Council and agree to put a request to the Commonwealth Bank for a certain amount of money. Then the Commonwealth Bank turns round and says, "You cannot have so much." At the last meeting of the Loan Council, it was agreed to request the Commonwealth Bank for £21,000,000. But the Commonwealth Bank said, "No, we can only let you have so much, but if you like to pay a little more interest, possibly you will get a little more money." So what is the use of talking of the sovereignty of a State Parliament or a State Government when they are all dependent on the whim of the board of management of the Commonwealth Bank? The representatives of democracy having to

go, cap in hand, to the autocracy of the Commonwealth Bank, there is no responsibility to the people whom those members represent. I say that when we talk about full-time work, which we all want to see for all men as soon as possible, we must not forget the financial difficulties associated with that ideal. If the State Treasurers cannot get the money from the Commonwealth Bank, what other source is there which the Government can tap? When the recent loan was floated, the Commonwealth Bank told the assembled Premiers what it was intended to pay by way of interest, and the result was that the loan was under-subscribed to the extent of two millions. Why was that loan under-subscribed? Because the interest rate was not attractive to the investors. Again, we are up against another difficulty, the cheaper the money, the better for industry. The people who want to keep industries going have a better chance of doing so when money is cheap than when it is dear, and, on the other hand, when people wish to invest in a loan, unless the interest is high they do not care about subscribing to it. The difficulty, therefore, rests with the procedure that has to be adopted in approaching the Loan Council, and it is entirely dependent upon the attitude the Commonwealth Bank adopts, sympathetic or otherwise. So that in the final analysis it comes down to the question of an alteration of the monetary system under which we live; and of course that monetary system cannot be changed by the State Parliament or by the State Government. In this particular regard the Commonwealth Parliament is the supreme authority. It could change the authority under which the Commonwealth Bank operates; it could considerably alter the charter of the Commonwealth Bank and bring it back to the position it occupied when that bank was first brought into being in 1911. From 1911 it did good work until its charter was altered in 1924. In the intervening period it was a people's bank and it functioned as such; it was in competition with the private banks, but as soon as the alteration of its charter in 1924 was made, until today, it has been worked as a bankers' bank instead of being in open competition with the private banks. Notwithstanding all the difficulties connected with the provision of employment, those difficulties are not insuperable. I dare say the Government will be able to meet them and that before we are

much older we shall have in operation a scheme of full-time employment. The responsibility of providing full-time employment is not entirely ours; I think private employers have an obligation just as great as that of the Government. Sometimes I can understand the protests of hon. members opposite and the blame they cast on the Government about the unemployment policy. In the one breath they say to the Government "Hands off private enterprise." We cannot have both; it is just as much the duty of the private employer to bring about full-time work for those who are idle as it is the duty of the Government of the day, and it is their duty as far as they possibly can to see that that is done. Until the time comes if ever it does come, when it will be possible for us to boast of real socialism, I repeat that the obligation to provide full-time work for all the people does not entirely rest with the Government of the day. Those engaged in private industry have an equal obligation. In a way, the Leader of the Opposition referred to that point in the course of his speech. He said that if there had been an improvement in the employment position during recent years, it was not due to the work provided by the Government, it was due solely to the fact that economic conditions had improved. Taking the hon. gentleman at his word, it is all the more necessary for the private employer to take advantage of that improved economic condition to help to bring about full-time employment all round. As I have just said, as the interest on money is less than it was, and money being cheaper, this should be a factor towards bringing about the desirable end of full-time work for all. Those who are opposed to us seldom refer to what is taking place in those States where Labour Governments are not in power. For instance, we have heard no reference made to South Australia, Victoria or New South Wales as to the condition of relief workers in those States, or the amount of work actually provided. I venture to say that more has been done by the Government of Western Australia during the past three years in the way of providing work than has been done by any of the Governments in the three States I have mentioned. What is more, higher sustenance rates are being paid in Western Australia than in any of the other States where Governments are opposed to Labour. As regards the higher sustenance being paid, I am not

claiming credit solely for the Labour Government. The higher sustenance payments were introduced during the regime of the Mitchell Government. I give credit where credit is due. These payments have been continued by the Labour Government and, in addition more work has been provided from Government funds, revenue or loan, than in any of the three States governed by those opposed to Labour. So much for the question of employment and the reversion to full-time work, and the sooner it comes about the better, for after all, every other subject to-day pales into insignificance in comparison with the reversion to full-time labour. There is another matter to which I previously referred and, in fact, it is part of the policy enunciated by the present Government during the recent election campaign. I do not see any reference to it in the Lieut.-Governor's Speech, but I am not so much concerned about what is in the Speech as I am to what is omitted from it. I do not think there is any reference to the 40-hour week in it, but I do know that that is part of the policy of this Government, and I hope there will be no avoidable delay in giving practical consideration to the question. The cry has been raised that a 40-hour week is a Commonwealth and not a State matter. The argument is being advanced that if we had a 40-hour week in this State and it did not exist in any other State of the Commonwealth, we would suffer from an economic point of view on account of the difference in the hours of labour. There is a certain amount of force in that argument, but the Government of this State can introduce the 40 hours just as the 44 hours were introduced, and in that way set an example for the other States to follow. If the economic situation is such that it might prove dangerous or a non-commercial proposition to introduce the 40 hours without the other States coming into line, then I say the sooner the matter is discussed at the Premier's Conference, and the other States invited to come into line, the better will it be for all. Personally, I consider that the Commonwealth under its Constitution has the power to introduce a 40-hour week, but that may be a debatable question and, as I am not an authority on constitutional questions, I am only expressing the opinion for what it is worth. The question of the 40-hour week is of vast importance, and it is bound up very closely with the

question of unemployment. If we are to grapple effectively with the unemployment problem, then the hours of labour will have to be reduced because the hours of labour cannot continue to remain as they are side by side with rapid advance in machinery. Every day or every time a new machine is invented, or every time an improvement is made to an existing machine, we find that unemployment is increased. Whilst I do not contend that the reduction of the hours of labour by four per week will entirely solve the unemployment problem, I will suggest that it will go a long way towards solving it, and towards minimising to a considerable extent its evils. So I hope that the Government will not lose any time in either trying to introduce the 40-hour week in this State or bringing the matter very forcibly before the Premiers' Conference so that the reduced hours may be worked throughout the Commonwealth. During the course of his speech, the Leader of the Opposition complained of the increased imports from the Eastern States and overseas. One would have thought that he was blaming the Government for the increase. If any Government in this State ever endeavoured to prevent, or at any rate to decrease, the quantity of imports from the Eastern States or elsewhere, the Labour Government did so during the past three years. They supported the local products campaign and in no fitful manner. Right from the inception of the campaign, that support was maintained vigorously. The then Minister for Employment devoted considerable time to encouraging the movement. Unfortunately it is true that the imports from the Eastern States and overseas have increased, but that result cannot be laid at the doors of the present Government, but rather is it attributable to the apathy of the public themselves who will not demand local products. We can manufacture commodities in this State equal to those turned out elsewhere in the Commonwealth, and the goods can be put up just as attractively as elsewhere. The difficulty is to get the people to realise the necessity to patronise local products and to develop a local products conscience. If that were possible, then people when they went into a shop would inquire whether the article shown to them had been made in Western Australia or in the Eastern States. If we were able to save half

of the amount that is sent annually to the Eastern States in the purchase of goods manufactured there, which would represent several million pounds, it would go a long way towards solving our local unemployment problem. Now I shall refer to one or two local matters. The first has reference to the Perth Technical College. Ever since I have been a member of this Parliament, I have brought under the notice of the Government annually the deplorable condition of that institution. I am not referring to it because the college happens to be situated in the Perth electorate. It is of greater importance than that for it concerns the people of the State as a whole. It is well known that the buildings are not suitable for the purpose of the technical education of our young people. Time and again the matter has been discussed in this Chamber. Various Ministers for Education have inspected the institution and seen for themselves the insanitary and unhygienic condition of the rooms in which the students have to work. The pupils are cramped in space and the staff are confronted with difficulties respecting supervision. Instead of having all the students in one building, where the difficulties of supervision would not be so great, rooms in the Perth Boys' School in James-street have to be used for classes at night time. Last session I asked the Minister for Education whether steps would be taken to improve the existing conditions either by enlarging the present building or providing new premises, and we were informed that the matter was under consideration. It is still under consideration. Finance cannot be advanced as an excuse for inaction because the Government have been advised from time to time that if they could sell the frontage in St. George's Terrace and extend the Government offices in the other direction, they would secure more than sufficient to pay for the whole cost of the alterations. I again bring this matter under the notice of the Minister because I regard it as a matter of extreme importance that the students attending the Technical College should have an opportunity to work under the very best of conditions and that those charged with the task of supervising their efforts should have every opportunity to carry out their work effectively. I have

before me the report of the Education Department for 1935 and I shall quote a paragraph from it. Every report from this department that I have read during the last three years at least has had a similar complaint embodied in it. In the latest report there is the following:—

Buildings: This matter has been referred to year after year, but the extra buildings so badly needed have not been provided. The number of individual students enrolled at the Perth Technical College during 1935 was 3,176, an increase of 313. The work was carried out under conditions that prevent efficient work being done. The Commissioner who held an inquiry into the needs of technical education in 1928 recommended that £50,000 to £60,000 be expended on buildings at the Technical College and £20,000 on equipment. The number in attendance then was 2,464. The numbers have increased since 1928 by 800, yet no increased accommodation has been provided. If funds cannot be made available by the State, the time has arrived when an earnest endeavour should be made to obtain them from other sources. In America the Federal Government assist the States. In parts of England the local governing bodies provide funds for technical education, a notable example being the Municipal School of Technology, Manchester. I strongly recommend that the present almost impossible state of affairs be ended. A strong case could be made for assistance from the Federal Government, or the Municipal Act could be amended to enable sufficient funds to be provided by way of rates.

For the fourth or fifth time I bring this question under the notice of the Government and particularly the Minister for Education in the hope that something will be done in the near future to provide better accommodation at the college. Some attention might be given to the suggestion made by the Director of Education that, failing sufficient funds being available from State sources, the Federal Government might be approached to render the assistance necessary. I hope my appeal on this occasion will not fall on deaf ears. There is another matter I want to refer to. It also refers to part of the Perth electorate, but again it is of interest to the whole State.

Mr. WILSON: I move—

That the hon. member be granted leave to continue his speech at the next sitting.

Motion put and passed.

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House adjourned at 6.11 p.m.