

ASSENT TO BILL.

Message from the Governor received and read notifying assent to the Fremantle Municipal Tramways and Electric Lighting Act Amendment Bill.

ADJOURNMENT—ROYAL SHOW.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [10.2]: I move—

That the House at its rising adjourn until Tuesday, 11th October, at 4.30 p.m.
Question put and passed.

House adjourned at 10.3 p.m.

Legislative Council,

Tuesday, 11th October, 1921.

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

ASSENT TO BILLS.

Message from the Governor received and read, notifying assent to the following Bills:—

- 1, Fremantle Municipal Tramways and Electric Lighting Act Amendment.
- 2, Fisheries Act Amendment.

QUESTION—EDUCATION COMMISSION, COST.

Hon. Sir EDWARD WITTENOOM, without notice, asked the Minister for Education: Can the Minister state approximately what was the cost of the Royal Commission on Education?

The MINISTER FOR EDUCATION replied: According to the Estimates, apparently £590.

MOTION—EDUCATION COMMISSION REPORT.

Hon. Sir EDWARD WITTENOOM (North) [4.36]: I move—

That in the opinion of this House the report of the Royal Commission on Education laid on the Table of the House is unsatisfactory.

In moving this motion I wish it to be distinctly understood that I do so purely in the interests of the public, purely to bring the subject before the public so that the report can be really discussed. There will be nothing personal in my observations, and I particularly wish this remark to apply to my good friend Dr. Saw, who was on the Royal Commission. Although I intend to be quite frank, I shall not, I hope, be in any way personal. At the same time I do not disguise from myself that Dr. Saw will have the right of explanation and reply, of which right I have no doubt he will avail himself fully. When making a few remarks on the Address-in-reply I said that there were four points for hon. members specially to consider when the report of the Education Commission was laid on the Table of the House, and that those four points were as follows: first, the composition of the Royal Commission; secondly, the class of witnesses called; thirdly, whether the Commission's recommendations should be adopted; fourthly, whether, in the event of the recommendations being considered sufficiently good to be adopted, the State could afford to adopt them. I personally am one of those who had no confidence at all in the Commission as constituted. When I first saw Mr. Board's name as chairman of the Commission, knowing that he held a high office in New South Wales I felt that we gained an advantage in securing the services of a man of that description. But when I learnt, afterwards, that Mr. Board was intimately connected with the development of a similar system of education to that which we have in Western Australia, I felt that it was impossible for him to be otherwise than prejudiced. Some people said to me, "What is the good of Mr. Board? Western Australia has copied the New South Wales system for years."

The Minister for Education: That has been proved absolutely incorrect.

Hon. Sir EDWARD WITTENOOM: Very well. I was coming to that. However, in the first place I was told that Mr. Board had been connected with the New South Wales system for years, and that therefore he would naturally be prejudiced in favour of the system here, which New South Wales had copied. I mentioned this to a member of the staff of our Education Department, who replied, "No; New South Wales has copied our system for years." "Then," I said,

"the same remark applies." Mr. Board, having been mixed up with an education system similar to ours, was not the right man to have on our Royal Commission, since in condemning the system here he would be condemning himself and a system which he had been advocating in another State for many years. I look upon Mr. Board as a man unfit to be a member of such a Commission. He is an enthusiastic educationist, and, to judge by his own remarks, he has no practical ideas of how to educate young men to do well for themselves. In the course of a speech delivered by him at Parliament House, when he was given a luncheon here, he said that the object of education was not merely to give children a certain amount of knowledge with which to work their way through the world, but that there was a far higher aim—the setting up in the young people of more correct habits of thinking. Mr. Board further said that if they could establish such habits in the minds of young children, then by the time the children reached the age of 21 a great deal more would have been done for them than by giving them a certain amount of useful knowledge in certain directions. But I say that a certain amount of useful knowledge is the very thing a young man wants in order that he may get on in the world. He should not be crammed up with stuff until he is 21 years of age and then told to get out in the world and get on. But that is Mr. Board's idea. Mr. Board is a very academic man. While no doubt he is very well up in and thoroughly conversant with the class of education that is carried on in his own country, these remarks of his do not lead me to regard him as a suitable man to tell us what to do for the young in Western Australia. I have obtained a few opinions held concerning Mr. Board in his own country. I have here a journal called "Education" which is published in New South Wales, and which is, naturally, favourable to Mr. Board. While speaking very well of him in some respects, it says—

The appointment of the Commission—That is, the Western Australian Commission, and the selection of Mr. Board immediately caused in this State the question to be asked, "What is the position of education in New South Wales?" It is borne in on those engaged in education in New South Wales, as well as many concerned but not engaged in it, that there is much to be done here at home, and that a survey of the New South Wales Department of Education would be as beneficial to us as we feel sure will be the survey of Western Australian education to that State.

Thus we find that Mr. Board is not without merits in his own country. After 27 years of expenditure on education rising from one million or three millions, New South Wales finds that its system of education is not altogether faultless. To the foregoing quotation I can

add another from the same paper, headed "The System's False Foundation." The article is a long one, and it contains the following:—

The simple truth is that education is impossible in our high schools at the present moment. They are institutions utilised for the purpose of turning out clerks or university undergraduates, and schools reckon themselves (and their rivals) good or bad according as they are successful or otherwise in effecting these two things: the public does the same, and the department does the—opposite, at least so it has often been rumoured, but never believed. The whole secondary situation is dominated by a single idea, that of obtaining "results," and this inevitably leads to wholesale cramming, the ignoring of individuality, lack of sympathy, narrowness in treating all subjects, dogmatic talking at pupils, false magisterial dignity, the creating of pernicious rivalries by systems of rewards and punishments, inter-school jealousies, the emphasising of what is objective, and the neglecting of what is subjective or spiritual.

These are remarks made by the very people amongst whom Mr. Board has been working, and yet we bring him here as an authority. He may be an authority, but it is according to articles such as I have quoted that we have to judge the value of the report submitted to us, so far as that report is Mr. Board's. In the circumstances it cannot be a matter of surprise that some of us are a little doubtful as to the value of the report. In making these remarks, as I said before, I have no desire to give utterance to anything personal. However, when a man takes up a public position, he must expect to be criticised. Then there is our friend Dr. Saw. Surely, if there is any one who is academical, it is Dr. Saw. That hon. member was brought up at a university, and is a very excellent result of university education. Therefore he must be, like Mr. Board, very academical. The result is that we have on that Commission two men of almost similar natures. The third Commissioner was Mr. Pitchford, whom we may describe as a practical man. At all events, Mr. Pitchford represented the practical part of the community. He employs a large number of persons in the emporium over which he presides, and he is one of those who can say how the public education is affecting those people who have to earn their living in commercial circles in the city. Had Mr. Board not been upon the Commission, Dr. Saw would have made an excellent chairman, but in addition to Mr. Pitchford, representing commercial interests, we required a good man representing farming and pastoral interests and interests outside of the towns; then the Commission would have been effective in calling proper evidence. When we have two men purely academic and the third belonging to the city, we find the country interests altogether ne-

glected. As for the class of witnesses called—

Hon. J. Cornell: Were they called or did they invite themselves?

Hon. Sir EDWARD WITTENOOM: I do not know. Let us say, the class of witnesses examined. With the exception of five or six, all of them belonged to the Education Department. We find in the list of witnesses names such as Miles, Robertson, Clubb, Andrews, Rooney, Dr. Jull, Dr. Atkinson, Wilson, Simpson, Hamilton, and a number of others, nearly all belonging to the Education Department save half a dozen, amongst them being Mr. Stewart and Mr. Underwood. I, too, was there. But the Commission forgot to call the important people, people who represent large pastoral and farming interests, people who could have told the Commission how the existing system of education is affecting young people whom it is desired should settle on the land. No witnesses were called such as Mr. Lee Steere, who runs 30,000 or 40,000 sheep, or Mr. Frank Wittenoom, or Mr. Darlot, or Mr. C. Maley, or Mr. Hedges. Why were men of that description not called? Without their evidence, how could the Commissioners know the results of our education on boys who are going into pastoral and farming pursuits?

Hon. J. E. Dodd: They all had an opportunity to give evidence.

Hon. Sir EDWARD WITTENOOM: But they were not invited, whereas those belonging to the Education Department were invited.

Hon. J. E. Dodd: They were all invited through the Press.

Hon. Sir EDWARD WITTENOOM: But those men whom I have enumerated would not give evidence unless they were asked for it. We wanted another Commissioner, not an academic man, to invite that class of evidence. The evidence given in connection with the schools was excellent, most comprehensive, but those other people who could have given evidence of the results of education on boys destined for country life were not invited to attend.

Hon. A. J. H. Saw: Did you want evidence on eurythmics?

Hon. Sir EDWARD WITTENOOM: That is an excellent joke. We can talk about that on the 2nd November.

Hon. J. J. Holmes: Your date is wrong.

Hon. Sir EDWARD WITTENOOM: Well, it shows how little I know about horse racing and gambling when I cannot even give the date of the Melbourne Cup. I tendered some evidence, and a great deal of it has been turned against me, was put in such a way as to be almost offensive to the people of New South Wales. I never intended that. I have here some of the newspaper headings used. Certainly they are enough to offend anybody. Of course, one cannot get a comprehensive report in the newspapers. It is not to be expected. But we find over my evidence such headlines as, "Political larrikins," "Disloyal-

ists," "Failure in New South Wales." Here is another: "Wittenoom says, no thing but larrikins and disloyalists and bad politicians in another State." I do not say anything of the sort. What I wished to imply was that the system of education was not producing what we had hoped it would. I want to do justice to myself and others. I was invited to give evidence. At the same time I offered to give evidence. The letters crossed each other. Taking a great deal of interest in the subject, I intended to put my view before the public. When I arrived before the Commission the Chairman said, "We shall be glad to hear any statements you care to put before the Commission." I explained that I took an interest in educational questions and had prepared a statement. Then I proceeded to give my evidence as follows:—

My only object is similar to your object namely, to arrive at some system of education which will be mutually advantageous to the individual and to the State. Any criticism I offer has nothing to do with the present system of teaching, with the books or with the teachers. I criticise only the policy and not the details. My objection is that the State undertakes to teach too much, and that the existing education system is too far-reaching and comprehensive. To put it shortly, I question whether this point is not more a matter of Government policy than one of educational administration. First, I consider that the State education is carried out on wrong lines. Of course I am referring entirely to State education, not to anything else. I am of opinion that the State system is educating our young children beyond their opportunities, and particularly that it has a tendency to keep them in the towns rather than encourage them to go into the country. The land affords the greatest opportunities for our young people, and is the most healthy and most important industry we have. I consider that the State efforts should be confined to elementary, technical, and agricultural teaching. The Modern School and secondary schools, including high schools, should be abolished and the money expended on them should be devoted first to extending elementary education to all the young people outback, and next to providing a good agricultural college or experimental farm, together with a first-class training college for teachers. That is the whole range which I consider the State system should embrace. For children who display extra ability, scholarships and bursaries should be liberally provided to enable them to take advantage of the existing secondary schools. We have now four good secondary schools, one of which, namely, the Perth High School, is denominational; the others are the Christian Brothers' College, the Guildford Grammar School, and the Scotch College. Any of these

schools affords an excellent education after the elementary course, and in my opinion does away with the necessity for State schools of a similar kind. My opinion is that every child should receive a good elementary education at the hands of the State up to the age of 14, and I feel very much inclined to favour an expression of opinion made by the Minister for Education the other day, under the circumstances which I have already mentioned, that the age should be extended to 15, that is, provided secondary education by the State was abolished. Under such a system children, after deciding upon their future career, could go into the country or attend one of the four secondary schools, according to the nature of the profession or occupation they intend to follow. If a boy took a three years' course at a secondary school after leaving the elementary course he would complete it by the time he reached the age of 17 or 18, and it would cost him £60, provided his parents lived in the city.

We have heard a great deal about the cost but when we remember that it costs 10s. a week to educate a boy at a high school in Perth, it is seen that it is not very excessive. The cost of educating a boy is not altogether the school part. One has to consider the boy's food, clothing, and pocket money. Those are the expensive parts. So if you keep a boy in Perth until he is 18, even sending him to school free, all that you save is 10s. a week. My evidence continued—

The keynote of the whole business is to find out a youth's inclinations after he has passed through the elementary course, and then to see that he devotes his time either to training for the country, commercial, scientific, or professional life, which he has determined to follow. These represent my views, stated as concisely as possible. To elaborate them a little, I repeat first of all that no expense should be spared to extend elementary education to those who are living in the back parts of the country and who are trying to pioneer and settle the land. That to me is a fundamental principle. If we are going to settle our black-blocks, and to induce people—as our Premier tries to do—to go to the farthest out parts and engage in farming, and I go further and add also pastoral pursuits, we must encourage these people by giving them opportunities for securing a good elementary education for their children. I am prepared to admit that the elementary education given by the State schools at present is as good as was that given by a secondary school in my young days. I have three objections to the present system. First of all it costs more money than the State can afford. Secondly, it aims to educate the young beyond their opportunities, and, thirdly, that the results are not commensurate with the cost. Dealing with my first objection, it seems super-

fluous to argue that a community of less than 350,000 people should have to find nearly half a million yearly for education. I think the actual amount is £480,000 odd. My reason for the second objection is that the effect of continuing education beyond the elementary stage, by way of the Modern School, the high schools, and particularly the continuation classes, has a tendency to keep the young of both sexes in the towns and cities until their tastes or inclinations are so bound up in city life that they cannot be induced to leave it. My reason for the third statement is that there are no apparent results from this extended education. Rarely do we find a new name among members of Parliament, and infrequently among professional men, and where new names do occur those who possess them generally come from the secondary schools and not from the State schools. Whenever I have brought this matter up in Parliament, the Minister has always met me with the reply, "Oh, we have had no time to develop the system. The system has not been in operation long enough to enable us to develop it." In my capacity as Minister for Education in 1895 I went to New South Wales. I do not know whether you, Mr. Chairman, were connected with the department then.

The Chairman: I was connected with the department 50 years ago.

The Witness: I believe New South Wales at that time was spending £800,000 a year on education.

The Chairman: Yes, that was about the expenditure.

The Witness: I was astounded to find that such was the case. My comment is that notwithstanding the extended period over which so large an expenditure has been spread, and notwithstanding that New South Wales has a system of education which, I suppose, is claimed to be almost perfect, we find that at the present time that State has a Parliament which no one could claim represents the best specimens of educated men.

By the Chairman: Is that due to the schools?—I think it is. This system of education has been in vogue for 20 years, and surely we may look to find its results reflected in the present Parliament. That is my contention. I maintain that neither in training, nor experience, nor education, can the present members of that Parliament claim to be among the best educated men in the country. Again, I am sorry to have to say anything against New South Wales, but I am merely taking that State as an instance.

That is what I said. I did not say all sorts of dreadful things about New South Wales, but I was merely taking that State as an illustration.

New South Wales has for a long time had an unenviable reputation for larrikism, and recently we might almost say it

has acquired a reputation for disloyalty. These are strong grounds which go to show that this expensive education, which our Minister for Education considers is absolutely necessary, has not produced the results which we would all have desired. While I contend that our expenditure on education is very high—too high for a State like this—I would be the last to take exception to it if I could see commensurate results. For those children who show conspicuous ability, every effort should be made to provide scholarships and bursaries so that they could be advanced by the secondary schools.

I went on to say that many people think manual labour is not respectable, but I thought that it was as good as anything they could do. These were my considered views which I gave without having been asked any questions. Afterwards I admit I said one or two things which I did not mean to say. These were dragged out of me by excessive cross-examination. In fact, the cross-examination by Mr. Board and Dr. Saw was so insistent and persistent, that it became irritating. I perhaps was then a little quick in making my answers, when I said that one could not have a worse Parliament than that of New South Wales. I looked upon Mr. Board and Dr. Saw not as men to find out the best they could, but as advocates for their own cause. They were trying to make me say what I did not mean. What I intended to imply was that these results had followed in spite of an education system of 27 years. They were not the results of the teaching, but the results that came in spite of the 27 years use of these particular methods. Therefore, in these circumstances, this might actually follow in our own case. I am rather sorry I did say there could not be a worse Parliament than theirs. I should not have said it but for the irritating cross-examination which sought to make me say what I did not mean to say. That was the only reason why I said these things. Owing to the fact that only portions of my remarks are referred to in the different newspapers, it follows that some of my criticisms may have been looked upon as offensive in the other States. One newspaper says:—

Sir Edward Wittenoom told a Western Australian Commission that the expensive educational efforts of New South Wales, judging by its Parliament and the larrikinism and disloyalty prevalent in the State, had been a failure.

Another newspaper says:

Giving evidence before a Royal Commission on Education headed by Peter Board, the same gentleman agreeably remarked that New South Wales was the home of larrikinism, disloyalty, and rotten Parliaments.

I did not say anything of the sort.

Hon. J. J. Holmes: Are these newspapers the result of education?

Hon. J. Cornell: They are in need of education.

Hon. Sir EDWARD WITTENOOM: Another newspaper has the headings "Politicians, larrikins, disloyalists." That would make one think I wanted to say something exceedingly offensive. As a matter of fact, parts of my remarks were left out. Another newspaper says:—

"Western Australia could not have a worse Parliament, according to Ned Wittenoom. No, not while Ned is in it anyway."

Here is another newspaper:—

Hon. A. J. H. Saw: Have them framed.

Hon. Sir EDWARD WITTENOOM: It says:—

Too much education, Sir Ned Wittenoom reckons; send 'em out to work up-country, when they're 14 or so to be sure. To work for cheap labour cow-cookies, and portly philanthropic pastoralists.

They would be lucky if they did 'em on to stations. No one asked them to work for nothing. Another newspaper says (and this is all the credit one gets for one's suggestions):—

Such a statement as this coming from Sir Edward Wittenoom is certain to open up a controversy. . . . Even though the pronouncement of the Knight is so obviously influenced by political feeling.

What political feeling is there in the matter? I am not actuated by any political feeling. What I want to see is the best system we can get for our own people. Then the newspapers bring in a charge about working men. I never said anything about them.

Hon. G. F. Baxter: From what paper is that extract?

Hon. Sir EDWARD WITTENOOM: I am not going to say. Then we have criticism by the Minister for Education in New South Wales as follows:—

"Sir Edward," he said, "belongs to that type of Conservative who seems to regard professions as the exclusive right of the wealthy, and one who would rob the talented children of parents unable to pay for their education, of the opportunity to develop their capacity to benefit the State and themselves.

As if I ever said anything of the kind or intended to do so! We know that only 10 per cent. of the people take advantage of secondary education, and I am sure half can afford to pay for it.

Fortunately, this State has long since refused to agree with him, or those who hold his opinions. By our bursary system and secondary education—

That is what I am advocating.

—we are giving opportunity for the poorest boy in the State, if he has sufficient brains, to be educated right to the threshold of the University.

That is where I will leave him. These are some of the remarks which have been made by those who do not think exactly as I do. I now have some remarks that have been made by those who do think as I do. Here are some from a Western Australian school teacher who ought to know something about the matter. The letter as published is dated the 17th July and is signed by "A country teacher"—

"The production of clerical scholars is the central aim at present and every corner of the juvenile intellect is ransacked and every nerve strained to produce intellectual green peas. (This, of course, will be officially denied and disproved, probably on paper as usual.) Nevertheless it begins with the selection, training, and promotion of teachers, and ends in disappointment and disgust for every tortured, desk-ridden pupil who is fitted by Nature for anything else. Be it known that there are such things as rural education and rural educationalists, but they have never been given a chance."

his is at the bottom of the whole thing—

The State should cater for its national needs, not for personal fancies. How can rural development be effected while every school is a clerical hot-bed and every educational impulse propels towards the city? That is putting it in half a dozen words.

The Minister for Education: Whose information is that?

Hon. Sir EDWARD WITTENOOM: It is not matter. It is from "A country teacher." Here is another newspaper on the subject—

Giving evidence before a Westralian Royal Commission, Edward Wittenoom maintained that expenditure on State secondary schools is both impolitic and wasteful.

That is not a conservative paper.

"The money should be spent on back-blocks schools, technical and agricultural education. The State should not go beyond practical and elementary education." Further: "The expensive educational efforts of N.S. Wales have been a failure." That these words have come to educational experts as the jarring thud and the sickening jolt is only natural, because it is quite unusual to speak definitely of actual results of educational systems. It is not alone. While the taxpayer does not expect any immediate profitable return for cash spent on schools, he mostly has a vague idea that the final though indirect benefits they bring must be as valuable as they are far-reaching. And as it would be almost impossible to follow each boy from school with a foot-rule and measure up the good and harm such a system really produces, the idea remains vague. Someone tells us that ours is one of the finest systems in the world. That is enough. He ought to know. We are content. Therefore, Wit-

tenoom is a disconcerting person, to say the least of him. To speak of educational undertakings in the light of definite results is something we did not expect. But to weigh us up and find those results not only poor but actually harmful—it is too much! The desired results of education, of course, will always vary in detail with nations, climates and creeds, but the general object the average sensible community aims at would doubtless be to properly train citizens of the necessary types and in the required numbers to adequately maintain and develop that community. Some States may need more hairy Bolsheviks than farmers; some don't. The thing is that if a State can really decide what types of citizen it needs its educational objects can then emerge from the above-mentioned haze and have a straightout chance of success. To be candid with ourselves, a real educational programme based on our own needs is a thing very hard to find. N. S. Wales, for its part, imported a system—rather a tenth-rate one at the time, by the way—and since it is always easier to import than to make our own, the importing habit, in ideas as well as in commodities, has kept on growing till now it seems almost incurable.

I understand that Mr. Board represents that system, and if he imported it then it must have been a tenth rate one at the time.

The Minister for Education: Mr. Board has made the system what it is. It is a different system to-day from that which is referred to as a tenth rate system at the time it was imported.

Hon. Sir EDWARD WITTENOOM: The newspaper continues—

With our imported silk stockings, imported clothes-pegs, imported politicians, we have grown quite used to the imported idea that the words "education" and "university" mean practically the same thing. So that the good old worn-out platitude, with last century's cold porridge frozen on its beard, came duly to hand as expected in answer to Mr. Wittenoom—"Every boy and girl, rich or poor, must be given the same chance of reaching the threshold of the University." It is by thus sidestepping the real question that the waste mostly occurs. Thousands of children are annually urged, coached, crammed, examined and otherwise pushed on towards the same old sacred Threshold in the mistaken idea that they are being given some vague "equal chances." A larger percentage of them soon have to turn round and do some real work which is in no wise aided by their schooling. For them the years when they might have been learning how to do that work and how to be happy while doing it have been more or less wasted through striving towards the Threshold; and they become in desperation unskilled workers, unscientific farmers—unskilled anything—mediocre citizens at best, attempting perhaps in after-life to acquire

the knowledge they badly need and with which they should have started. Had this knowledge been available at first, there would have been little waste were 10 times the present Education vote expended. Without it, there is a fearsome waste not only of the State's money, but also of the individual's effort and opportunity. Politicians with a superficial knowledge of the subject often believe that the correct way to make an unsuccessful business change magically to success is to pour more money over it. "Technical education is being developed" is affirmed in defence. "In this direction we spend £125,000 annually." So there! That is Wittenoom's answer! And next year let us spend £500,000, and the following year £5,000,000, and so on. We shall then be almost perfect.

See how it works out. Take the ordinary country school of (say) 400 boys and girls. About 60 may pass the qualifying certificate examination each year. Probably 30 of them thereupon "leave school." Goodness knows where they go or what knowledge they take with them with which to commence earning the elusive crust, or even what "equal chances" they enjoy of getting on to the Threshold. The other 30 begin their secondary education. Each year sees more dropping out—some because they cannot stand the strain of cramming, others because Dad needs their help in keeping the family alive by any old form of work—and joining the other 30 in outer darkness. They just fade away. If five or six scholars capture intermediate certificates the school is doing well. And this is half way to the Threshold. Suppose two or even three actually get to the university—what of the 60 and their "equal chances"? Does it not smell suspiciously like sacrificing 58 to benefit the fortunate two? The remedy—

This is the remedy suggested—

naturally is to spend more money,—

That is what we are doing. We intend to spend about £50,000 more this year than last year.

—have more schools, more teachers, and in time get the whole school population on to that Threshold. A few more High Schools will be needed, some more special jobs for more imported specialists, a few more trips to America, and possibly the Threshold may have to be enlarged. Then shall we have more doctors than patients, more lawyers than victims, more teachers than taught, more pulpits than pews, There will be scarcely any common folk at all, except, perhaps, the man who sweeps the Threshold, but that will not matter much, for every one else at least will at last be enjoying "equal chances."

These are the opinions of a person in New South Wales who cannot be called conservative from any point of view. Let us refer to the recommendations by the Royal Commission. I must confess that I have read them very carefully. I am prepared to say,

however, that the recommendations all through, until we come to those referring to technical education and agricultural education, are such that any one of them could have been put forward by any inspector of schools in Western Australia. There is not a single recommendation that could not have been brought forward by the inspectors without the necessity for all this evidence or for the Royal Commission at all. In these circumstances the report of the Commission does not carry us any further, and it is not surprising that the Commissioners cannot advance anything new except to advocate the spending of money. There is not one single instance where they show that we could do better but they merely recommend the spending of more money. The Commission states in the report—

The Commission cannot suggest that any necessary curtailment of Government expenditure should be made by reducing the expenditure on education. There is much that, in common with other Australian States, Western Australia is not doing for the education of its people. These steps in further progress might be deferred in view of the straitened finances, but the Commission is strongly of opinion that it would be a national blunder to curtail the educational services that are now rendered, or to make a reduction in expenditure on public education, at a time when every other country is realising that its educational services must be extended.

Here we are in Western Australia, not knowing where we can secure money to pay for the responsibilities confronting us. Every year we have a recurring deficit and we cannot meet our expenditure from the revenue of the State. On top of that we have the statement by the Commission that it cannot suggest any necessary curtailment of Government expenditure on education. The Commission does not justify the expenditure in the report presented to the House. The Commission does not show any results to warrant the continuance of this expenditure. The Commission does not point to the number of boys who will go on the land and do well but rather refers to the educational facilities of the cities. They certainly make some common sense remarks regarding the number of young people who are learning typing and sewing and other things, all of which will tend to keep them in the towns. Further on, however, there is a little bit of common sense in their references to technical education and agricultural education as well. At the risk of being wearisome, I will read some of the references to technical and agricultural education.

Hon. A. Lovekin: What page are you reading from?

Hon. Sir EDWARD WITTENOOM: I am reading now from page 23. The report states—

If the purpose of the State technical schools is to enable young people to qualify

for the skilled manual occupations by which they earn their living, and thereby give to the industries of the country the skilled workers necessary for their development and maintenance, the technical schools are fulfilling that purpose to the extent of little more than one-third of their activities.

Let members think of that: to one-third of their activities! The Commission also states—

It is further presumed that when a technical school is conducted either wholly or mainly at the expense of the State, the instruction given is for the purpose of giving the young people certain technical skill and knowledge which are to be used by them in earning their living, and by so doing contribute to the progress and development of the State.

Then we find there are a number who are doing other work. This is a rather sensible contribution.

The giving of free instruction for industrial purposes is in accord with the State's policy of free technical education, and the Commission advises that free instruction be confined to that object, and that all other students be required to pay the full cost of instruction.

That is done in connection with technical education. This paragraph which I have just quoted is to some extent contradictory and, in fact, throughout the report I find in the latter portions more common sense is shown than in the earlier parts. Coming to agricultural education, members will admit that this is a matter of the highest importance to Western Australia. The Commission says—

The prosperity of the State is clearly dependent on the use of the land, and on every hand there is evidence that the industries dependent on the use of the land are only in their infancy. Seeing that the future of this State will largely depend on the development of its agriculture, the need for agricultural teaching is even more pressing than for any other form of technical education.

Yet we find that Mr. Board advocated boys continuing their education until 21 years of age when they would have a well-stored mind, at which age they would have the right to start to learn some useful occupation.

The Minister for Education: Mr. Board never said anything of the kind.

Hon. A. J. H. Saw: No, nothing of the kind.

Hon. Sir EDWARD WITTENOOM: Reporters are too accurate to make mistakes in that direction. After acknowledging the toast and so on, Mr. Board is reported as saying—

He believed the object of education was not merely to give children a certain amount of knowledge with which to work their way through the world. There was a far bigger aim—the setting up in their

young people of more correct habits of thinking. If they could establish in the young folk by the time they reached the age of 21 the habit of clear thinking, they would have done a great deal more for them than by giving them a certain amount of useful knowledge in certain directions.

There Mr. Board clearly refers to establishing in the young folk, by the time they reach the age of 21, the habit of clear thinking—

Hon. A. J. H. Saw: Not in the speaker.

Hon. Sir EDWARD WITTENOOM: Dr. Saw need not be personal.

The PRESIDENT: Order!

Hon. Sir EDWARD WITTENOOM: There are other ways of replying than that.

The PRESIDENT: Will the hon. member kindly address the Chair?

Hon. Sir EDWARD WITTENOOM: I was, Sir, but I was not looking that way. I repeat that agricultural education is more important in the interests of Western Australia than any other form of education at the present time, and yet the report of Mr. Board's speech gives the views I have mentioned. On top of that, the Premier says he has no money for the establishment of an agricultural college. The Premier says that he cannot establish it at present. Yet the State owns a number of trading concerns which could be sold for £50,000 or £100,000 and from the proceeds the Premier could establish an agricultural college and help to carry out the policy he always advocates of putting people on the land. The Premier says he cannot afford to do so. Why cannot he adopt that course, which is in accordance with his policy? At any rate the quotations I have placed before members appear to be contradictory. I am speaking from my own point of view, which Dr. Saw says is a very narrow one. Naturally we cannot all possess a magnificent breadth of view. To show that the first remarks I made were justified, and that there was no way indicated of reducing expenditure in connection with the education system, we have a further reference on page 27 where the Commission states—

Whether the economic conditions of Western Australia call for the learning of shorthand by such a large proportion of the population, the Commission finds it difficult to determine. It is, however, a significant fact that while about 1,100 young people are learning a skilled trade in technical schools, more than twice as many are learning shorthand throughout the State.

The Minister for Education: That is not so.

Hon. Sir EDWARD WITTENOOM: If it is not so, why is that statement here? I can only go on what the report of the Commission states. I cannot contradict the Minister. I am certain that the Minister knows as much about this matter as the Commission. I will not contradict him.

The PRESIDENT: I remind the hon. member that he must address the Chair.

Hon. Sir EDWARD WITTENOOM: The report continues—

Much as the industry of this State is centred upon the commercial enterprise, it is scarcely credible that an army of short-hand writers is employed that needs recruiting at the rate of nearly 2,000 a year.

I think I have convinced hon. members that the report of the Royal Commission is not of very much value. I cannot understand any Minister acting upon it. I will not read any more from it, because I think the members of the Commission have convicted themselves. I argue that the report has failed to show any way in which the expenditure upon education is justified, by demonstrating the advantages that expenditure has given to the young. If I am wrong we shall hear where I am wrong when members are speaking on this motion. I shall be convinced if I am wrong. I certainly hope I am wrong. When I contemplate the position on the farms and stations where the young men should be encouraged to go, what do I find? I am connected with five or six commercial institutions in the city and if we have positions carrying £50 or £75 a year to fill, they are rushed. Yet no one is inclined to go out into the country. My opposition to the present system is that it over-educates boys beyond their opportunities. I am always met by the answer: "Look what England is doing; look what some other country is doing." On the other hand, look what we are doing; look at the position in New South Wales. When I referred to the position in New South Wales. I was ridiculed. In that State, they have carried out the policy for the longest period, namely some 27 years. The result is not one which Western Australia should be encouraged to follow. Why should we follow the New South Wales system so carefully and accept the recommendations of a man who must be wedded to such a system? As to the question of the poor, as we call them—I say there are no poor people here—who require higher education, there is no man who wants his boy to enter a profession, who cannot afford to pay 10s. a week to give the lad an opportunity of passing through an institution in three years, thus enabling him to enter any profession. The Premier's policy is to try to settle people on the land. The policy of the Education Department is to keep people in the towns. The department establishes high schools in centres of population throughout the country, wherever there is a picture show or amusements to keep the people, the result being that the children will remain in the towns and not go into the back country.

Hon. J. Cornell: And then they import people to go on the land.

Hon. Sir EDWARD WITTENOOM: An agricultural college is the most important need of the State in connection with educa-

tional matters, and the Premier, unfortunately, says that we cannot afford to establish one. At the same time we can buy the hewer's mill, woodyards, saw-mills, steamers, and a number of other concerns. In face of that, the Premier states we cannot afford to establish an agricultural college for boys and the proposition to that effect is set aside. I do not want anyone to run away with the idea that I in any way under-rate high school secondary education, or university teaching in its proper place. It is of no use giving children this education if there are no openings for them. We have a free University which we should never have established, because we cannot afford it. The University has tin pot buildings and the Government contribute to its upkeep £10,000 to £15,000 a year. There are about 400 students and what can be done with them? I ask members to point to any farm or any commercial house which is successfully run by a University man. Any young person has the opportunity of going to the Adelaide, Melbourne or Sydney University.

The PRESIDENT: If it is the pleasure of the House that this debate be continued, a motion to that effect will be necessary.

Resolved: That motions be continued.

Hon. Sir EDWARD WITTENOOM: To sum it all up I am of opinion that the State education should not be carried beyond the elementary stage, that the higher education should be provided by means of bursaries and scholarships and that every inducement should be offered to young fellows to go into the country. I can quite understand highly educated men holding the view that it is a great advantage to have a wide knowledge and a fully stored brain, but if with these a man has an empty pocket, he will never be content. It is far better for a man to go out into the country where he can earn a good living, marry and bring up a family and thus make for himself an opportunity where he will be able to use his brains to advantage. But that time does not permit, I could instance a dozen men who, after receiving merely a primary education, have acquired a thoroughly wide knowledge. If those men had been sent to the University, the probabilities are that they would not have achieved anything for themselves.

On motion by the Minister for Education, debate adjourned.

MOTION—WYNDHAM MEAT WORKS AND STATE STEAMSHIP SERVICE.

To inquire by Select Committee.

Hon. J. J. HOLMES (North) [5.33]: I move—

That a select committee be appointed to inquire into and report on the administration and working of the Wyndham Meat Works and the State Steamships, with power to call for persons and papers.

I single out these two great trading concerns because they vitally affect the North province which I represent. Any hon. member who chooses to examine the balance sheets on the Table will, I think, come to the conclusion that these concerns should be inquired into by select committees of this House, by whom some report or recommendation should be made.

Hon. A. Sanderson: Hear, hear!

Hon. J. J. HOLMES: The composition of the committee, the number to comprise it or whether I am appointed to it or not, concerns me not at all, but I say as a taxpayer of this country that the figures disclosed are, to use a mild term, alarming, and it is time something was done. Strange to say the two concerns with which I propose to deal had my support eight years ago. At that time my socialism began and ended with monopolies. When a monopoly existed I claimed that the State should step in. After seven or eight years' experience of State monopolies I can only say that from them we get nothing but deficits, whereas a monopoly in the hands of private enterprise does give more equitable results. As I do not want to pre-judge the question in case I might be on the committee, I propose to confine my remarks to the figures set out in the balance sheets and the auditor's report thereon. I do not propose to say that the Leader of the House is responsible for the condition of affairs which exists; I do not propose to say that anybody in particular is responsible except one man whom I may have to mention later on, the man who initiated the whole scheme. Bad and all as the balance sheet of the Wyndham Meat Works is, the Minister in charge of the House has had the courtesy to lay it on the Table in order that we may peruse it. I thank the Minister for having done so. It clearly shows that so far as he is concerned, he has nothing to hide. It was his duty to let Parliament know the position and he has taken the first opportunity to do so. The balance sheets dealing with the trading concerns controlled by the Minister for Works are also on the Table, most of them being marked "subject to audit." The one important trading concern the balance sheet of which is missing, is the State Steamship Service, and its absence upsets any calculations one might desire to make regarding these concerns. Why is this balance sheet withheld? I would like to know. The balance sheet and profit and loss account to the 30th June, 1920, is on the Table, but the auditor's report has been extracted therefrom. Why?

Hon. A. Sanderson: Why do you say extracted?

Hon. J. J. HOLMES: Because it is not there.

Hon. A. Sanderson: It might never have been there.

Hon. J. J. HOLMES: I think the auditor's report is referred to in the balance sheet as having been dated the 17th Decem-

ber. While the Minister for Works can produce pro forma balance sheets for the implement works and the sawmills, which concerns have to take stock, the balance sheet for the State Steamship Service which has no stock to take but merely involves a question of debits and credits, is not here. If for no other reason a select committee should be appointed to get to the bottom of the State Steamship Service and the Wyndham Meat Works, and I respectfully suggest to members that it is their duty to deal with the other trading concerns similarly. I propose first of all to deal with the Wyndham Meat Works. I have made an analysis from the balance sheet of the position of affairs at Wyndham. Before the Treasurer delivered his financial statement I referred to the capital expenditure at Wyndham as being anything from three-quarters to a million of money, but I find that according to his Budget figures the amount is £1,245,852 19s. 1d.

The Minister for Education: That is not capital expenditure but working capital.

Hon. J. J. HOLMES: I shall deal with that. The amount is made up as follows: General Loan Fund, £881,114 4s. 4d.; Colonial Treasurer's current banking account, £311,022 11s.; Wyndham Savings Bank, £4,149 13s. 8d.; sundry creditors, £27,027 1s. 11d.; and Colonial Treasurer's loan capital suspense account, £22,539 8s. 2d. Now what have we got for that million and a quarter of money? We have buildings, plant and machinery valued at £723,320 6s. 7d. The cost of these works, buildings, etc., includes interest while the works were under construction, but no allowance has ever been made for depreciation. Manufactured stock in hand is valued at £171,677 18s. 4d.; operating material on hand, £95,708 6s. 10d.; cash on hand, £1,206 7s.; sundry debtors, £63,989 12s. 6d.; expenditure in advance, £3,480 7s. 9d.; construction expenditure suspense account, £608 7s. 2d.; cash in hand at office, £30; at Wyndham, 8d.; making a total of £1,060,425 6s. 10d. The difference between the assets and the liabilities is £185,427 12s. 3d., made up as follows: loss to the 31st December, 1919, £48,973 2s. 2d.; loss to the 31st December, 1920, £136,454 10s. 1d. Here is a Government which cannot do anything for an agricultural college, but which can run meat works at Wyndham and lose on one year's operations £136,454. These are not my figures; they are the figures produced by the department. The works are not operating this year and it is not proposed to operate them, but the estimated loss this year, according to the Treasurer's figures, is £97,020. The works, after operating for two years and allowing for this year when they are idle, will have incurred losses aggregating £282,472 12s. 3d. This I say is an alarming state of affairs and one that justifies the attention of members of this House.

Hon. A. Lovekin: Does that take in £70,000 advanced on capital?

Hon. J. J. HOLMES: No. Of the £97,020, the greater proportion represents interest

and the balance loss on manufactured stock. There was said to be in hand on the 31st December manufactured stock valued at £177,000. The loss of last year of £136,454 is about £7 10s. per head of the cattle they treated, the number having been about 18,000. Coming back to the figures I quoted, I have extracted what I call liquid assets, that is, everything at the works other than buildings, machinery, etc., and, assuming the operating material is what it is estimated to be worth, namely, £95,000, and manufactured stock £171,000, sundry debtors, etc., as stated in the balance-sheet, we get liquid assets £337,105 as against a liability of one and a quarter millions. That will leave the cost of the buildings and machinery £723,320. Add the deficiency for the two years, £185,427, and you get the cost to 30th June, £908,747. Take the total liabilities as disclosed by the Premier at £1,245,852, deduct the liquid assets as set out in the balance-sheet, £337,105, and you get the fixed assets at £908,747, and if we add the estimated loss this year of £97,030, we get a total of £1,005,777 for buildings, machinery, etc. Suppose on the 30th June next we realise upon all movable assets at Wyndham, and assume that we realise the amount put upon them by the management, we get standing at Wyndham, the works—no depreciation written off—interest charged during construction, which the Auditor General says is contrary to law, and we thus have a monument which has cost the State £1,005,779. It is suggested that the "Kangaroo," when she makes her trip shortly to Java, will have amongst her passengers the Minister for Industries (Mr. Scaddan). I understand also that one of the ambassadors of trade from Western Australia, who will travel on the same vessel, will be a monumental sculptor. I suggest with all seriousness that the vessel's course be deviated to Wyndham in order that that sculptor may land there and design a suitable monument for the Minister for Industries for what will be disclosed at that place as the outcome of one on his ventures. The question is, what is to be done with these works? That, I take it, will be what the committee will inquire into, and make recommendations. The Auditor General, in his report for the year ended the 31st December, 1919, says—

An amount of £49,750 is included in the cost of the works as capitalised interest during construction.

That interest should have become a debit to revenue, but they have covered up their tracks by charging this to the Wyndham Meat Works as interest in course of construction. The Auditor General continues—

There is no statutory authority for charging this interest to loan money; on the contrary, interest, under the law, is payable from Consolidated Revenue.

He goes on to say—

The audit discloses under sundry debtors that the amount of £1,118 was omitted.

It is evident that somebody had goods to that amount which were never charged. He goes on—

A list of stores on hand at Wyndham was produced, which I am informed represents the result of actual stocktaking, but this list was not certified to by the officer who took stock.

Somebody sent down the list of stock and it was not even signed. The Auditor General adds—

The operating material on hand up to the 31st December, 1919, there was worth £62,787, made up of stores, £61,549, and canteen £1,238.

All the stores and manufactured stock would be handled up there. The Auditor General says that an officer was sent from head office to take stock. Fancy sending an officer all the way from Perth to Wyndham, when up there they have all that paraphernalia with their general manager, a sub-manager and a staff! I do not suppose the officer could get to Wyndham and back under three months, with the existing service. If he desired to get back by the same steamer, he would have to carry out the audit while the "Bambra" was proceeding to Port Darwin from Wyndham, otherwise he would have to wait for the return trip of the "Bambra," three months later. The figures given are the result of stocktaking. The Auditor General says—

The capital shown under general loan funds includes £63,548 for capitalised interest. This is a construction vote and there is no legislative authority under which a loan vote for construction purposes can be charged with interest.

Referring to the stock on hand on the 31st December, 1920, he says—

The amount is £53,377. This stock was checked except £13,249, hides held by the Government Stores on Wyndham Meat Works account.

This is a deal which I think the select committee should inquire into. I understand that the Government were offered about £2 10s. for each hide. It is said that those hides were brought to Fremantle and that they were salted and rolled and subsequently hung up to dry. To-day, I am told, the value of those hides is about 10s. each. If that is correct, we have a loss there of £25,000. The Auditor General goes on to say—

Operating material on hand, £95,888 6s. 10d.

Then we have this astounding statement by the Auditor General—

No stores account was kept at head office, nor, I understand, at Wyndham.

Just imagine stock on hand, £53,000, operating material on hand £95,000, and the Auditor General says that there are no stores account at the head office nor, he understands, at Wyndham. He continues for the year ended 31st December, 1920—

No depreciation has been charged to this year's accounts. The general manager con-

sidered that a satisfactory basis was not available to enable a fair estimate of depreciation to be made and decided to defer the question until such a basis could be compiled.

They are not operating this year. Yet the staff are being paid. Surely they have time to arrive at a basis of depreciation. But the depreciation would increase the loss to something more appalling. They cannot arrive at a basis of that depreciation, and thus they evade their responsibility. Dealing with the canteen the Auditor General says—

The only check that could be made at head office was to see that the amounts in cash sheets from Wyndham were duly accounted for.

Boiled down, it means that if a man sent from Wyndham a sheet setting out that so much money had been received, they would see that that money was accounted for. If he did not send down the cash sheet, he could put the cash in his pocket, and that would be the end of it. It can mean nothing else. The only check that could be made of the canteen was to see that the amount in the cash sheet sent from Wyndham was duly accounted for. The Auditor General says—

No details were supplied of the amounts brought into the books at 31st December, 1920, whether in favour of the concern or otherwise.

In another place the Auditor General explains that they sold bread and stores to people in Wyndham. I judge from this that no one knows whether payment was ever made. I come to the cattle purchases of last year and I find that 18,000 cattle were bought at approximately £7 10s. a head. That represented £134,513. All the charges except interest came to £194,434, making a total of £328,944. Add interest £65,288 and you get £394,230. Deduct from that—sale of stores at Wyndham, £3,764, and the sale of water £591, and miscellaneous receipts £31,247, and you get the gross cost of those cattle at about £360,000. The cattle were bought for £7 per head, and £13 per head was spent in making them fit for market. Dividing £360,000 by 18,000 head of cattle, one gets approximately a cost of £20 per head for each animal treated at the Wyndham Meat Works. The cost of treatment at those works was £13 per head—£13 per head to prepare the cattle for export!

Hon. A. Sanderson: What price was obtained for them?

Hon. J. J. HOLMES: There was a loss of £136,000 last year on 18,000 cattle. The cattle could not realise anything like £20 per head; according to the balance sheet they realised £12 10s. These are not my figures nor my comments. The figures are those contained in the balance sheets laid on the Tables of the two Houses by the respective Ministers; the comments consist of extracts from the Auditor General's report. I do not wish to weary hon. members, but I

think I have made out an ample case for inquiry into the Wyndham Meat Works.

Hon. A. Sanderson: Hear, hear!

Hon. J. J. HOLMES: I do not care whether I am on the select committee or not; I prefer not to be on it. I should like to see members of all parties here—I believe there are parties in this House—represented on the committee. My one desire is to get at the bottom of these things, and arrive at some solution of the difficulties. With those remarks I shall leave the Wyndham Meat Works, and deal briefly with the State Steamship Service. We are in a maze with regard to the State trading concerns. I do not think, however, that anybody is in a greater maze regarding them than is the Treasurer himself. Just let me read from the Budget Speech as reported in the Press—

The revenue from State trading concerns last year was £187,342. I estimate a revenue of £184,701 from this source for the year 1921-22. In these concerns we have invested £2,125,631. It is an enormous sum. The Wyndham Meat Works cost £1,203,898. This is a particularly expensive item. It shows for the year a very considerable loss, and at the present time, of course, is closed down.

That is about all we get from the Treasurer in his Budget Speech with regard to the State trading concerns. He says that those concerns paid into Consolidated Revenue a sum of £187,342 during the year. Now, that is grossly misleading, unintentionally misleading, I believe; I do not think the Premier understands the position. Analysing the Treasury figures, one finds that the other departments raised debits of £187,342 against these various State trading concerns, and that the Treasury gave the State trading concerns credit for that amount. And yet the Premier tells us that the State trading concerns paid that amount into revenue! As a matter of fact, an analysis of the Treasury figures shows that the Treasury financed these concerns last year to the extent of about £550,000. Now, deducting £187,000 from that amount, we find that the Treasury financed the State trading concerns to the extent of approximately £370,000 net last year. Why should they have been financed? We have not been buying any new State trading concerns. We know that £136,000 has gone out in the Wyndham Meat Works. But where has the other £234,000 gone? That remains to be seen.

Hon. T. Moore: What about the Railway Department?

Hon. J. J. HOLMES: The figures of the Railway Department do not enter into this consideration at all. I am dealing only with the State trading concerns. Railways come under the head of public utilities. We have had so many conflicting statements with regard to those concerns that one does not know where they stand. Only recently the Treasurer said that the State trading concerns

were a nightmare to him. Still more recently, in the course of his Budget Speech, he said that those concerns had paid into Consolidated Revenue for the year a sum of £187,000. At a later stage still, the Treasurer said the trading concerns were not a worry to him at all, that it was the public utilities that were the trouble. Moreover the Treasurer stated that the trading concerns had paid £7,700 in all into Consolidated Revenue. Then we have the Leader of this House saying that that was a mistake.

The Minister for Education: I did not say anything of the kind.

Hon. J. J. HOLMES: The hon. gentleman said the amount in question was refund of capital and not revenue. Be that as it may, the fact remains that the Treasurer has told the public, in his Budget Speech, that the State trading concerns last year paid into Consolidated Revenue a sum of £187,000. As a matter of fact, the Treasury had to finance the State trading concerns to the extent of about £350,000 or £370,000. I hope all these matters will form the subject of inquiry. The profit and loss accounts of the whole of the State trading concerns—excluding the State Steamship Service, which we cannot get—show that the concerns which did pay made last year total profits of £40,480 11s. 7d., and that those concerns which did not pay made losses totalling £138,169 17s. 7d. That is a shortage of £98,000 for the year, irrespective of the State Steamship Service. We know that the "Kangaroo," which was the big money earning concern of the lot, has done practically nothing for the last 12 months. I think she was tied up in London for a long time, and then she tried to get a charter, but had to come out in ballast. She has been over two months coming out; she arrived yesterday.

Hon. J. Duffell: She met with an accident on the way out.

Hon. J. J. HOLMES: That does not affect the argument. I understand she took 27 days to come from Cape Town to Fremantle. However, that is only by the way.

Hon. J. Duffell: She had only one tail shaft.

THE PRESIDENT: Order!

Hon. J. J. HOLMES: Irrespective of the State Steamship Service, the State trading concerns show a loss of approximately £98,000 for last year. I am much concerned as to what the production of the balance sheet of the State Steamship Service will disclose. Hence my views as to the necessity for an investigation of all these concerns. As regards the State Steamship Service, we want to get full particulars. What does the fleet consist of? The "Kangaroo" and the "Eucla," I think. Who owns the "Bambra"? Are we paying anything for the "Bambra"? Is she likely to be taken away at any time? What is the capital cost of the ships? Generally as to the capital cost of the State trading concerns, or the money invested in them, I

should like to have something to say. As regards the various departments of the State, there is a schedule attached to the Estimates of Revenue and Expenditure which is a credit to everybody associated with it. If one looks at that schedule, one can get all the information that it is necessary to have. I do not know who is responsible for the production of the schedule in question, but whoever is responsible deserves to be complimented, because the information given is as complete as it can possibly be. But when we come to the Estimates of Revenue and Expenditure relative to the State trading concerns, there is no schedule, no addendum; there is silence. We do not know what has been invested in the State trading concerns, and we do not know what has been lost in them. Surely that is information we should have. If it can be compiled for all the other great earning and spending departments—the Railway Department, for instance—surely it can be supplied for these eight State trading concerns. Included in the estimated expenditure for the State trading concerns this year there was an amount of £75,000 for the Wyndham Meat Works. We all know what that is for. This figure does not enter into the calculations I previously submitted. It is for purchase of cattle. But to state the matter in that way, as expenditure, is entirely misleading. The figure does not represent expenditure at all, but an advance to the cattle owners.

The Minister for Education: The money has to be provided.

Hon. J. J. HOLMES: As regards the capital cost of the whole of the trading concerns, I urge the leader of the House to obtain a schedule giving that information in respect of each of these State trading concerns, and the cost of working as well. I inquired at the Treasury yesterday whether this information was available, adding that I did not desire to be furnished with anything I was not entitled to obtain. I said that, if necessary, I would ask for the information in Parliament. I was told that the Premier had a schedule giving this information, and that probably if I asked him for it he would let me have it. However, I did not want to worry the Premier. I now make the request to the Leader of this House. That schedule, I believe, deals with all the State trading concerns. Reverting to the State Steamship Service, apart from capital cost there is the question of the present value of the ships. Take the "Kangaroo," for instance. Some little time ago we were told that the Government had an offer of something over a quarter of a million sterling for the "Kangaroo." That offer was refused.

Hon. A. Sanderson. Refused by whom?

Hon. J. J. HOLMES: By the Government.

Hon. A. Sanderson: By the Minister, or by Cabinet?

Hon. J. J. HOLMES: I do not know. However, the fact remains that ships have depreciated in value very considerably dur-

ing the last 12 or 18 months. In proof of that, let me quote from the London "Times," which surely should be an authority on the value of ships and their depreciation. So recently as the 25th August of this year the "Times" stated that eight cargo steamers, good ships, purchased only about a year or 18 months prior to the date of sale, at a cost of some £1,450,000, had been sold on the 24th August last for £266,150, the transaction showing a loss of £1,183,350.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. J. J. HOLMES: Before tea I was dealing with the present capital value of the State steamers, and to the sale of eight cargo steamers at a loss of £1,183,350. The steamers were of from 6,000 to 9,000 tons. The oldest appears to have been built in 1906 and the newest in 1919. Six were classed A1 at Lloyd's and two slightly below that. Those steamers cost approximately 1½ millions in February of last year. They were sold in August of this year for £266,151 or about one-sixth of what they cost. This is what the "Times" said—

An auction sale of eight cargo steamers by the Baltic Exchange yesterday, of which full particulars are given below, was invested with exceptional interest. In the first place the sale was a large one and unique in the history of shipping because, as the auctioneer declared, it is believed that never before have as many as eight steamers been offered on one occasion without reserve. The sale, too, was not without its melancholy interest, for only in February of last year had the eight steamers been bought by the Western Counties Shipping Company for £1,450,000. Encouraged by the earnings of the war period the public were induced to subscribe shares in the newly formed Western Counties Company. A heavy fall in freights occurred, difficulties arose in connection with the management of the company and yesterday the ships were offered by instructions of the mortgagee, and were sold for £266,150, representing a total depreciation of £1,183,350 within the short period of 18 months. Most of the money has come out of the pockets of the public, a fact which serves to illustrate the speculative character of cargo steamship earnings and the need for considerable caution in the selection of shipping investments.

That is a very pertinent article and should cause Ministers to reflect as to the State Steamship Service. Now we have the "Kangaroo" back in a Western Australian port. We were given to understand that she was being brought back in ballast 16,000 miles for service on the North-West coast, and to open up trade with the far East. Imagine my surprise this morning when, on picking up the "West Australian," I found the "Kangaroo" advertised for Java ports and Singapore. Inquiry at the State steamship

office elicited the fact that they are not taking cargo to North-West ports. I do not know why. Presumably investigation will disclose that the ship is too big for our North-West ports, is unsuitable for the trade. If that is so, it should have been discovered when she was 16,000 miles away and could there have been sold, or utilised in a trade for which she was suitable. Also I understand that there is no passenger accommodation available. However, we do know that in order to get freight for Singapore the brilliant idea occurred to somebody that if she could carry flour at 40s. per ton, Western Australia would get all the flour trade for the far East. Hon. members must know that the Commonwealth steamers have been carrying flour to the far East at 50s. per ton. Now what has happened? The Commonwealth steamers have immediately reduced their freight to 40s. In other words, they have been forced down to that price. Yet we are going to send delegates to the Eastern States to confer with the Commonwealth as to the ill effects of Federation on Western Australia; we are going to plead for mercy. Are we not entitled to be told that if we can run steamers at 25 per cent. less than the Commonwealth can run them, we are quite able to look after our own affairs? That and many other things which I could mention is what we shall be told if we go to the conference. We force down the freights charged by the Commonwealth line of steamers, and then we propose to send ambassadors to the East for help. Again, while the "Kangaroo" is not to call at North-West ports, we learn that the Minister for Industries has been specially invited to Singapore. I wonder why?

Hon. A. Sanderson: Invited by whom?

Hon. J. J. HOLMES: By the Straits Settlement Government. Why has one Minister been singled out? The only conclusion I can come to is that the fame of the Minister for Industries has spread, and the Straits Settlement Government say, "This is the man who started all those trading concerns, the man who has brought the "Kangaroo" 16,000 miles in ballast in order to carry flour at a lower freight than the Commonwealth has been charging."

Hon. J. Duffell: A sort of show man.

Hon. J. J. HOLMES: Why should the Minister for Industries have been specially invited to go to Singapore on this ambassadorial trip unless it be that his fame has spread abroad and in consequence they are anxious to have a look at him? Before concluding I must refer to what figures we have in connection with the State steamers. I offer no apology, because the matter is important. According to the balance-sheet as at the 30th June, 1920—the balance-sheet for 1921 is missing—the capital value of the State steamers was £188,340 12s. During last year £24,563 7s. 3d. was spent on capital account. But we did not buy any new steamers during that period. Where and how was this money spent? Presumably in repairs.

If so, that amount should have been debited to profit and loss account as expenses. Yet here we have the amazing statement that £24,563 was added to the capital account. Another point: the Treasury figures to the 30th June, 1921, disclose that the Treasury debited the State steamers for the year with £392,658 and credited them with £275,743. The Treasury paid out on account of the steamers last year £116,715 more than they received. Why did the Treasury finance the steamers? We shall see, if this committee be appointed and we get the figures we should have now. I referred to the London "Times" for a particular reason. It has been stated, and not contradicted, that there was an offer of a quarter of a million for the "Kangaroo," which was not accepted.

Hon. A. Sanderson: On what date was that?

Hon. J. J. HOLMES: That is what I am after. For the time being, I shall content myself with saying that the Treasury financed the State steamers to the extent of £116,715 last year. Recently it was announced that the Government were going to build three new steamers. Appearing in the items of the balance-sheet as at 30th June, 1920, is an asset of £173 4s. 4d. as steamers' building capital. That amount, apparently, has been spent investigating the possibility of buying or building new ships, and it has been taken in as an asset! I have referred to the suitability of the "Kangaroo" for the North-West trade. I do not want to pre-judge her suitability, but the advertisement in the "West Australian" this morning is significant of what many think, namely, that she is utterly unsuited to that trade. The points for the Committee to consider are these: Can the State Steamship Service and the Wyndham Meat Works be profitably employed; are either of these enterprises beneficial or likely to assist in the development of the great north of the State? These are matters which the Committee might well deal with. They would be justified in doing so if only to enlighten the Treasury. Let me repeat. The Colonial Treasurer pointed out in his Budget that £187,342 was received from the trading concerns last year. The position is that the Government departments had raised debits to the extent of £187,342 against these trading concerns for which the Treasury gave them credit for services rendered. After allowing for this £187,000 the Treasury advanced to those concerns an amount of £350,000 last year, and no new trading concerns were established. I could have read extracts from the Auditor General's report which would be very interesting and instructive, but I do not wish to unduly delay the House. I offer no apology for having kept the House as long as I have. These are matters of great importance to the State. At the best of times figures are very dry, and it is difficult to connect them up. I hope members have been able to grasp what I have been driving at. The duty of the Committee

will not be to cast blame on the past, for the past has gone beyond recall. The duty of the Committee will be to see what can be done to rectify and remedy the appalling condition of affairs in connection with these two trading concerns. I do not want to hurry things, but I do urge upon the House that if this Committee is to be appointed it should be appointed almost at once. It is said that in addition to the Minister, the manager of the State Steamship Service, is going to Singapore. It is essential, therefore, that we should have his evidence before he leaves, as it will be very important. Whether I am appointed as a member of that Committee or not, is immaterial to me. I should much prefer to take up some of the other trading concerns and deal with them if it was thought I was biased in connection with these two concerns. Seven or eight years ago I was in favour of these concerns, but I have told the House why I have altered my opinion. I compliment myself that I have an opinion to alter. I should personally like to see Mr. Miles take my place on the committee, and would like to have a business man and a member of the Official Labour Party also connected with the committee. I would suggest either Mr. Miles or myself, Mr. Lovekin and Mr. Hickey. I do not want any biased report. What I desire to do is to get at the facts and see what can be done to rectify this condition of affairs. I thank the House for having listened attentively to my remarks, and have pleasure in moving the motion standing in my name.

Hon. A. SANDERSON (Metropolitan-Suburban) [7.50]: I second the motion. I hope it will be carried without any adjournment. I can see no necessity, after the clear statement we have had, for adjourning the discussion. The mover has made out a prima-facie case, and in some respects has been too moderate. I object to his proposal that the past should be buried. It is only by clearly tracing the past step by step, finding out how the Wyndham Meat Works and the State Steamship Service came into existence and what they have been doing during the last few years, that we and other members of the community can get at a sound ground for dealing with the matter. It is shocking to hear that Mr. Holmes was in favour of the State Steamship Service and the Wyndham Meat Works proposal.

Hon. J. J. Holmes: That was eight years ago.

Hon. A. SANDERSON: Even that is shocking to me, but he has explained why he has changed his opinion and we had better say no more about it. I hope Mr. Holmes will be appointed to the committee, and that he and his colleagues will put up a statement of the position so that we can see clearly what it is. Certain dates are required, and we want to know the persons responsible for the position in which we find ourselves. I pricked up my ears when the hon. member

told us that there had been a definite offer made for the purchase of this steamer. I asked for the date on which this had been made, but he said the committee would find that out. I also asked him to whom the offer had been made, whether it was to a Minister or to Cabinet as a whole. I suggest that when the committee begins work it should endeavour to find out whether the offer was made to an individual Minister who rejected it, or whether it was brought before Cabinet. I wish to emphasise the importance of dealing with this question without any adjournment so that the select committee may be appointed and get to work as quickly as possible.

Hon. J. W. HICKEY (Central) [7.55]: I appreciate the motion because of the reasons which have been put forward by the Government and others for the policy in connection with the Wyndham Meat Works. Whilst I do not altogether agree with Mr. Holmes in many of his arguments, I welcome his motion for the appointment of this committee. Conflicting opinions have been given about the Wyndham Meat Works and as to the reason for their being closed down. Mr. Holmes, who was one of the greatest advocates of these works, has to-night moved for the appointment of a committee to inquire into the various ramifications of these works. He has rather twisted on his old ideas, but has given his reasons for so doing. There are other people who hold views about the matter and have also twisted. I have had a rather unique opportunity of knowing something about these works. I trust the appointment of a select committee will eventually give people a chance of ventilating their grievances upon this question. It is said that certain people are responsible for what obtains at Wyndham. Other people have said that trade unionists and those who represent labour organisations are responsible for the closing down of the works. At all events, the committee will find out where the responsibility lies. I hope as a result of the inquiry, these works will be re-opened. I have no intention at this juncture of making any attempt to go into the position regarding the works, more especially as I have been mentioned as a possible member of the select committee. I trust that as a result of the motion, we shall soon find out what the position really is at the works.

Hon. J. W. KIRWAN (South) [7.59]: I understand the anxiety of certain members regarding the motion when they say it is desirable to bury the past. I have watched the progress of the Wyndham Meat Works with a considerable amount of interest. I was the sole member in either House who opposed the establishment of these works. The member who was strongest in support of those works, as Mr. Holmes has explained, was himself. It will be remembered that the proposal to establish these works was introduced by the

Scaddan Government. I supported that Government in a large number of their measures, but one to which I offered as strong opposition as I could, was this particular proposal. I should like to read a sentence of a rather lengthy speech I made on the occasion when this matter first came before the House, because of its particular application to the special point at which we have arrived now. I do not wish to go into all the details of what I said, but merely to quote from "Hansard" a few lines of my speech. I was referring particularly to the support that had been offered by Mr. Holmes and others in this House who had always been very strong in their opposition to socialistic measures. I said—

Presently the scheme which private enterprises will not touch and which is certain to prove a failure, will result in loss to the Government, and then these members will sing a very different tune and the Government will be left to withdraw out of their difficulty as best they can.

I hope when the proposal now before the House is carried, as I trust it will be, the committee will include Mr. Holmes who was so strenuous in continually urging the Scaddan Government to incur this expenditure. Upon him more than any other member of either House, rests the responsibility of endeavouring to clear up the mess as best he can. To my mind it is absolutely impossible for the Government to control from Perth any enterprise such as the freezing works at Wyndham. The distance from Wyndham to Perth, so far as the difficulties of communication are concerned, is practically as far as from Perth to London. What would be thought of the Government here if they endeavoured to control some business in London? Communication is quicker and it is easier to carry on a business in London from Perth than is the case where a business at Wyndham is concerned. It is an almost impossible venture for the Government to undertake. From what Mr. Holmes has said to-night, and from what I can learn about the project, I consider the best thing for the Government to do is to cut their loss and get rid of the works as quickly as they can.

Hon. J. EWING (South-West) [8.1]: I do not intend to delay the House long in debating this question. I agree with what Mr. Holmes has said and congratulate him on bringing the motion forward. I have been waiting for some considerable time to see whether the Government intended moving in this direction. It was said that the Premier had made up his mind to introduce legislation in another place which would give the Government the opportunity, which they could avail themselves of, to get rid of State trading concerns as soon as possible. If that had been done, it would not have been necessary for Mr. Holmes to move his motion to-night. We have heard a good deal about

people who change their minds, and Mr. Holmes has confessed that the opinions he held three or four years ago are not the opinions he holds to-day. There are plenty of people who have held views in opposition to the State trading concerns. In making an investigation such as that suggested by Mr. Holmes, I take it that it would be necessary to have an inquiry as to the initiation of these schemes. Let us, as Mr. Sanderson said, investigate the matter from A to Z. The policy of those in power, when the meat works were established, was presumably the policy of the people of the State, seeing that the people themselves put the Government in power. We want to see what the result of that policy has been and the committee should let us know everything regarding these State trading concerns. It does not matter a rap to me whether State trading concerns are paying or not. If the suggestions put forward by Mr. Holmes were adopted, and each State trading concern was investigated in turn, we would then see what the position of each really was. I have no doubt that some of them, such as the State Sawmills, would be shown to be paying concerns. I think there are some which are paying. The investigations of the select committee might disclose—I am satisfied that on the figures quoted by Mr. Holmes the investigations will show a disastrous state of affairs and a sad loss to the people concerning this particular trading concern—that some of the concerns, such as the State Sawmills and the State Implement Works, may be paying. If this committee shows that a loss has been made in connection with the meat works and another select committee, investigating another trading concern, demonstrates that that particular concern has been paying, that fact will not affect the position one jot. I have always spoken in opposition to these State trading concerns. It matters not to me what the result of this inquiry may be. I have fought the State trading concerns all along the line and fought them to the last ditch. We have no right whatever to invest the money of the people in opposition to those who desire to develop the industries of the State. That being the case, I support the motion and I am prepared to urge the Government to cut their loss and get rid of these trading concerns, whether they are paying or not. I know from my own experience in business matters, how serious is the opposition of these trading concerns. I know people to-day who cannot get through if they are to have opposition such as that of the State Implement Works. I do not know whether those works are paying, but I do not think they have been an advantage to the farmers of Western Australia. On the contrary, I think they have been a great disadvantage. They are a very serious menace to those carrying on similar industry in this State, making it almost impossible for them to continue operations. What is the position when applied to that industry to-day, may apply to me to-morrow, and I

am not prepared to urge people to invest money in Western Australia in the face of such opposition. I congratulate Mr. Holmes on his clear and lucid statement, and I think the Minister must recognise that the House will endorse the proposal almost unanimously. In view of what Mr. Holmes said regarding the proposed trip to Java, and the contemplated absence of the manager of the State Steamship Service, I trust the Minister will realise that the House will desire to have the evidence of that officer. It will be necessary to have this evidence and, though I presume the Minister will probably move the adjournment of the debate, I trust he will give members an early opportunity of arriving at a decision, which, he will see, will be practically unanimous.

Hon. Sir EDWARD WITTENOOM (North) [8.6]: My only reason for taking up time in discussing this motion is that I recently had an opportunity of visiting Wyndham and travelling by one of the State steamers. I am in accord with what Mr. Holmes said in bringing forward this motion. I had a splendid opportunity during the two days I was at Wyndham of thoroughly examining the meat works. I went into the whole question and met one or two of the largest suppliers of cattle and beef. I heard their views and I am quite confident that it would be in the interests of the country if the meat works were sold even for half-a-crown, so long as whoever took over the works, took over the Government's liabilities as well. I strongly recommend the Government to get rid of them. I dare say that some combination or company will be found to take over the works and thus save the Government expense and loss. If the Government cut their loss, it would be cheaper in the end. I was in favour of the State Steamship Service at one time because when the Government decided to establish the service it was a question of clearing out private enterprise or the Government clearing out. There was no room for both. The Government indicated that they intended to establish a complete service which would meet all the requirements of the coast. On the contrary, however, nothing has been done. The Government have one ship running to-day. While the vessel is comfortable to travel in, she is hardly suitable for the coast. If anything went wrong with her the Government would be in difficulties at once. In the circumstances, I am in accord with the remarks which have been made regarding these industrial concerns. The Government should not indulge in them at all, not because they may be successful or may not be successful, but because they stop private enterprise from coming into the country.

Hon. J. W. Kirwan: I think this was the only industrial concern the hon. member supported.

Hon. Sir EDWARD WITTENOOM: I supported it because the Government said they intended to carry on

the work and it was no use opposition being maintained, if the Government intended to compete along the coast. The Government assured us that they would make the shipping business complete and, as it was to the advantage of my constituency and as the fundamental principle of success along the coast is regular steamship communication, I naturally supported the proposal. If the Government, however, offered a bonus or subsidy, it would be better for some private company to take over the service and thus get rid of this loss to the State. If that course were pursued, the Government would have an adequate service along the coast and would not be faced with any liabilities at all. That is the best way of doing this work. My only reason for supporting the State steamers was because the Government were determined to go on the coast and assure me personally that they would make the service a complete one. If a private company were allowed to operate on the coast with established schedules of freights and fares, they would know exactly where they stood. Naturally, a company could not run along the coast without being able to proceed elsewhere. The trade along the coast would not enable them to carry on profitably except with the aid of a bonus or subsidy. The present position is not fair to the people of the North. Cheap and regular communication is essential for the people in the northern part of the State. In these circumstances it would be far better for the Government to offer a bonus or subsidy to a steamship company to take over the service and thus provide adequate facilities for the people of the North. I support the motion.

On motion by the Minister for Education, debate adjourned.

MOTION—GOVERNMENT'S FINANCIAL PROPOSALS.

Hon. A. LOVEKIN (Metropolitan)
[8.20]: I move—

That the Government be requested to reconsider its financial proposals with a view to (a) bringing the expenditure within the ambit of the revenue, and (b) making provision for the extinction of the deficit within a reasonable time.

At the outset I wish to assure the Minister that I have not tabled this motion with any desire to embarrass him or his Government at a time when they are confronted with difficulties. My intention is rather to help. For years past the financial proposals of Governments have been brought before this Chamber at the expiring hours of the session, and members have not had an opportunity to discuss them or to make suggestions which might prove helpful. To-day we have the full proposals before us, and this motion will afford us an early opportunity of discussing them and of relieving the pressure at the end of the session. Earlier in the session I said that our financial position was not as black

as it was painted. By that I meant it was not beyond redemption. I repeat that statement now. We are faced with a deficit of, roughly, £5,000,000, which has been accumulating at the rate of £500,000 per annum. The estimated deficit for this year is £571,000, and as has been indicated by Mr. Holmes, is largely due to the losses on the Wyndham Meat Works and other Government concerns. The position is, therefore, serious and must be faced immediately. A sum of money put out at interest at 5 per cent. doubles itself in 14 years. A sum of money at present interest rates being paid by the Government will double itself in 10-1/3rd years. Thus a child 10 years old to-day will on reaching manhood or womanhood, find itself responsible for its share not of £5,000,000 but of £10,000,000 for which there will be absolutely nothing to show. Not only, therefore, must the leeway be stopped but provision must be made to liquidate the £5,000,000 already accumulated. There are several methods by which this object may be achieved. Firstly, we may increase our population and thereby spread the debt almost to the point of extinguishment by increasing our revenue. I take this to be impracticable in view of the competition of America and Canada for the surplus population of Europe, which is the only source on which we can draw for people. Secondly, we may increase our production so that the State will receive larger revenues from taxation, the railways, and other sources, and reduce the indebtedness. This I hold to be somewhat remote, because existing taxation, both direct and indirect, at the instance of the State and Commonwealth is so heavy. Any increase of taxation of course must necessarily come out of the pockets of the traders and of the people generally, and industry must thereby be hampered and impeded and employment diminished in consequence. For these reasons increased taxation is not a means which we should exploit at present in order to get rid of the deficit. If we want people to come to this country we must provide avenues of work for them. Therefore, there remains only one other method of meeting this deficit and that is by reducing our expenditure to within the ambit of our earnings—that is the ordinary business method. How is this to be done? How is sufficient money to be saved that not only will the £571,000, which is the amount of this year's deficit, be got rid of, but how can we provide sinking fund for the £5,000,000, which has already accumulated? I propose to make a few suggestions. The first is with regard to a matter which has been discussed this afternoon at the instance of Sir Edward Wittenoom—that of education. When I make a suggestion with regard to education I feel that I shall be rather crossing swords with my friend the Minister for Education. I propose to show, however, how a reduction in the expenditure from the Education vote of £200,000 may be made. The Royal Commission which recently

sat to inquire into the working of the Education department showed that there were attending the State schools 48,471 children. Of these, 12,587 were under the age of eight years. Of these 1,094 were under the age of six years. The percentage tables which are given show that if we could take out all children under eight years we could save some £334,000 on the cost of education.

The Minister for Education: What! Take away a quarter of the children and save three-quarters of the expense!

Hon. A. LOVEKIN: Certainly; that is where the expenditure comes in, in the small schools.

The Minister for Education: Absolute and utter nonsense! You would not close one of the small schools. They have other children in them and you would not save anything.

Hon. A. LOVEKIN: Perhaps the Minister will allow me to proceed. I am not making this statement without having first of all looked into it myself and without having made some inquiries about it. That is the conclusion I came to from an analysis of the percentage tables in the report of the Royal Commission. I myself was astounded at the prospect. The Minister apparently was astounded, too.

The Minister for Education. Astounded at you making such a stupid statement.

The PRESIDENT: The hon. the Minister must not allude to a statement made by another hon. member as being stupid or utter nonsense.

The Minister for Education: I apologise Mr. President. I myself was carried away by the statement.

Hon. A. LOVEKIN: Perhaps the Minister will not persist in that statement later on.

Hon. Sir Edward Wittenoom: He is astounded too.

Hon. A. LOVEKIN: So was I. When I worked that out, I rang up Mr. Pitchford who was a member of the Royal Commission on Education and I put the proposition to him. His reply was this—"That if all the children under eight years were withdrawn, the result would be that many above eight would get no schooling as there would not be enough children of eight years and upwards in many districts to make up a school." In the course of a further conversation he said, "That if nearly all the children under eight were excluded from schools, a saving of £250,000 might be made." I am going to take that figure. I put it to Mr. Pitchford quite clearly. If hon. members will look at the report they will find that what I have stated is somewhere near the mark, that if we take away all the children under eight, and close up all the schools, we shall be able to save £250,000.

The Minister for Education: And do away with country education altogether?

Hon. A. LOVEKIN: Only so far as the children under eight years of age are concerned.

The Minister for Education: Unless excluding these children meant the closing of

schools, it would not effect the saving, and you would deprive all children in the smaller country centres of education.

Hon. A. LOVEKIN: That does not appeal to me as being a good argument. It may be carried further, and it may be said that if we take away all the children under six years, we make some schools impossible.

The Minister for Education: That is not so.

The PRESIDENT: I must ask the hon. members not to conduct a conversation.

Hon. A. LOVEKIN: That is the position as I believe it to be. If we make the school age eight years instead of six—

Hon. G. W. Miles: To what age?

Hon. A. LOVEKIN: To 14 years. Of course we would have higher education afterwards for those capable of acquiring it.

Hon. A. J. H. Saw: Is that a serious proposal?

The PRESIDENT. Order!

Hon. A. LOVEKIN: If we make the school age eight instead of six, taking the figures from the report of the Commission, we will save £330,000, but if we leave some of the children below eight years of age to make up a school we shall save £250,000. That is to say, we shall close a number of the schools where a majority of the children are under eight, and save £250,000. My suggestion is that we should devote £50,000 of that amount of £250,000 towards higher education. Apart from whether it is a good thing or not to save this money it must be a good thing in the interests of the children themselves that they should not go to school until they are eight or nine years of age. My father, who perhaps foolishly, abandoned medicine for the church, held the view that a boy should not go to school before he was nine years of age. A child up to that period should be permitted to develop his physique. I have heard high educationalists, men like Dean Farrar, the present master of the Charter House and others, say the same thing, that if you want to make a boy brilliant you must keep him away from school until he is nine years of age. Some hon. member told me only the other day that Mr. Wilson of the Perth High School expressed a similar view. I believe the advice to be sound. I am not one of those who are opposed to education. I believe the more education we can have, the better.

Hon. Sir Edward Wittenoom: In the right direction.

Hon. A. LOVEKIN: Yes. I think also there is great danger, in fact it would be disastrous to any community to have an uneducated and illiterate democracy. I agree that there is an obligation on every State to educate its people, but there is no obligation cast upon a State to provide nurseries for its children. When we are sending to school children who are under eight years of age, we are doing little more than providing nurseries. My view is that we should curtail the education vote in the way that I have suggested, and devote say £50,000 of the

savings towards providing higher education for those who are capable of acquiring knowledge. When a child reaches the age of 14 we should know whether it is capable, whether it has the ability to acquire additional knowledge. If so, we should spend a little more money on that child. The majority of children, it is regrettable to state, are not capable of acquiring a great amount of knowledge. Therefore, it would be waste of money to try to drive them into attempting to add to the education that they possess. I next propose to make a suggestion in connection with the management of the railways in the hope of reducing the State's deficit. Those of us who read the English newspapers during last year will have noticed the reports of the various railway companies. Companies like the Great Western, the London and North-Western, the Canadian Pacific, and the Canadian National, held meetings, and the chairmen at those meetings foretold a loss of revenue and pointed out to their shareholders, and to the Government in the case of the National railways of Canada, that they must keep down their expenses to meet the inevitable fall in revenue. One would think that those in charge of our railways here would certainly keep themselves in touch with what was going on in connection with the railway systems in other parts of the world. If they had done so, they would, I think, have taken time by the forelock and decreased rather than increased their expenditure. I have before me a statement which was laid on the Table of the House giving the comparative results of the working of the Western Australian railways during the past five years. I have taken a few figures from the return, and they show that notwithstanding the outlook forecasted in Europe and Canada, the authorities in charge here have taken no heed of what is likely to happen. The figures show that last year the number of employees in our railways was 524 greater than the figures for the previous year. The train mileage was increased by 66,667; they carried 678,660 fewer passengers and 56,232 tons of goods less than the previous year.

Hon. J. J. Holmes: And put on 524 more men.

Hon. E. H. Harris: Many of those were temporary hands.

Hon. A. LOVEKIN: I am taking the average number of hands employed, and I am quoting from the official report. Obviously with less traffic and with less goods to carry, there should have been a lower train mileage and fewer men employed. What these 524 men cost is not given here, but so far as I have been able to make the calculation—I have taken the award and the value of the privileges set out in the award—it works out at £153,000. I do not intend to give a mass of detail in regard to the railways, but will deal with the subject broadly. We should keep the expenditure on the system within the earnings. If we are earning less, we should spend less. I suggest there-

fore that the railway estimates be cut down at least by the amount represented by the employment of the 524 additional hands. The next item I deal with is charities. This year's Estimates show the cost of hospitals, charities, and benevolent grants as amounting to £196,686. Efforts are being made in some quarters to provide for our hospitals and charities by a special super income tax. I do not know whether those who are working in this direction have seriously considered what their proposition means. The estimated yield from income tax this year is £335,000, and the expenditure proposed on charities is £196,686. Therefore a special super tax for charities would have to be one equal to 58 per cent. on the present income taxation. No Treasurer could put such a proposition forward. But we must try to get relief from this large sum of nearly £200,000 spent upon charities. We are living in abnormal times. We cannot be too conservative in our methods of finance. We must get on to new lines. To obtain relief on this head, I suggest that we adopt methods which have been taken advantage of on the Continent of Europe for many years past. Brussels, Amiens, and quite a number of very fine cities have been developed through what is known as the premium bond scheme. We have practically the same thing here in connection with our Starr-Bowkett societies, and I suggest that we adopt the principle in this State. Some short time ago I drew up a scheme for the Children's Hospital. I will read it, so that hon. members may gather the exact import of it. It is no gamble; it is not a lottery in the true sense of the term. A gamble is a transaction where a person stakes his money upon chance, and either loses his money or secures a great advantage. Under the scheme I advocate, no one ever loses his money. The original investment is always intact, and is always available for the investor. All that is done is that instead of paying out a shilling per year as interest on a pound bond, the interest is pooled and divided in more substantial sums by lot. The following is the scheme I drew up for the Children's Hospital:—

Australian Bond Club.

The club is being formed for the prevention of losses in sweep participations, and with the object of raising funds to be paid over to the Children's Hospital, Perth, for the purposes of upkeep, maintenance, and improvements thereof. The capital of the club is divided into 500,000 shares of £1 each, and the proceeds thereof will be applied to the purchase of Australian (Federal and State) Government bonds only, which carry interest as near to 6 per cent. as is possible. The interest received will be appropriated as follows:—(a) to 50 per cent. thereof to making provision for the payment of bonuses to members; (b) as to the remaining 50 per cent., less the expenses, to the making of a grant to the Chil-

dren's Hospital, Perth. To avoid payment of interest to members in small sums, the amounts accruing from interest payable on the bonds purchased with members' capital will be consolidated and divided in manner hereinafter mentioned by way of consolidated interest. As soon as is practicable after each half-yearly receipt of interest on the purchased bonds, a public drawing will take place at which the consolidated interest will be allocated by lot in terms of the schedule hereinafter set forth. A member may succeed in drawing consolidated interest at each and every half-yearly distribution. No promotion money in any form will be paid, and the initial expenses of inaugurating the club will be borne by the Children's Hospital, Perth, whose objects in endeavouring to launch the club are to provide funds for the upkeep of the hospital, and to minimise the losses which are made by those who enjoy the participation of risks and who now invest in sweepstakes on horse racing and other events. By joining the club a member may, for one entrance fee only, enjoy the chance and possibly the realisation of securing £2,000 every six months for all time—a large sum every half year for an unlimited period. At the end of 30 years the promoters or their successors may consider the winding up of the club or the continuance thereof. In the event of winding up, the share capital of each member will be returned less his proportionate share of the liquidating costs.

Then follows a schedule of prizes. Seeing that in one year no less than £330,000 went from this State to Tattersall's in Tasmania, all of which sum, except perhaps the amount of a prize or two, was lost, it is easy to recognise how much the Government could, in a few years, raise throughout Australia by means of such a scheme as I have propounded, a scheme under which every half-year, for all time, there is a chance of securing a substantial prize in return for a single investment, be it £1 or £100, and with the investment intact. If the Government wished to change the present domicile of the deficit, which domicile is London, by issuing premium bonds on the lines I have indicated, there would be no difficulty in doing so; and, besides, £150,000 would be available annually for charities. Another item I propose to speak on is "Departmental." Hon. members will have observed that year after year provision is made on the Loan Estimates for administration and salaries. In many instances the loan salaries are transferred to revenue account, and are spent, but the works in respect of which these salaries were granted frequently appear on the next Loan Estimates as re-votes. That is, although the salary has been spent, the work has not been done. If hon. members will take out the figures, they will see that without any overhead or administration charges the cost of carrying out works in this State is about nine per cent. That is altogether too much. I see no reason why, if the Education

Department want a school, they should not go to a private architect, state their requirements, get plans and specifications drawn, and have the work carried out at five per cent., or 7½ per cent. at most.

The Minister for Education: But we shall not want any more schools for 20 years if we cut out all the children below the age which you suggest; we shall then have schools to burn.

Hon. A. LOVEKIN: In that case, we shall be able to save the whole of the money in question, instead of only a portion of it, as I am suggesting. However, we shall want more schools for children between the ages of eight and fourteen as our population increases; and then, instead of keeping a permanent staff, and paying them for work twice over, the Education Department should, like a private person, go to an architect and get the work done. At any rate, I suggest only the moderate saving of £25,000. The next point I desire to touch upon is economies generally. I shall be very conservative in this matter, and will refer only to one or two items of which I have personal knowledge. A detention home for children was built. There was no necessity for that home. Only yesterday it was admitted by the matron and nurses that the objective of the home had completely broken down. It had reached the point where the nurses refused to go back if a certain unruly child were sent there. The child complained of had found no difficulty whatever in breaking out from the institution. The contract for that building was £10,200. There is there a porch, built on four 10 x 10 jarrah posts. As a foundation for these posts bricks were purchased from the State Brickworks at 2s. 6d. and 5s. each.

Hon. J. J. Holmes: Five shillings each!

Hon. A. LOVEKIN: Yes, before they were carted from the brickworks.

The Minister for Education: Are they gold bricks?

Hon. A. LOVEKIN: They ought to be.

Hon. J. J. Holmes: Is there a kangaroo on the bricks?

Hon. C. F. Baxter: Are they specially made bricks?

Hon. A. LOVEKIN: Yes, specially cut bricks to put under the jarrah posts. Inside the building, where verminous children are frequently introduced, the lining is of match-board, while the roof itself is unlined. All that a child wishing to escape has to do is to climb up, force the tiles and walk out, as the girl did last week.

Hon. A. Sanderson: Where is this?

Hon. A. LOVEKIN: Next to the Norwood State School. Over £2,000 was spent on the building, in additions and furnishings and extras. As a matter of fact, it has now been discovered that more money must be spent in lining the ceilings. The building was erected against all advice. So there we have £12,000 out of the £25,000 which I suggest we could save by economies. Again, is it any wonder that the trams do

not pay? The distinguishing numbers which have been added to the cars cost about £3,000! There is a number of small things like that, on which I propose to save £25,000 in economies. It can easily be done. I think some saving might be made on the State Trading Concerns. I have gone through all the balance sheets. There is on the Table a return giving the detailed estimates of revenue and expenditure. Hon. members will see that in a number of instances there is, following the figures of the State Trading Concerns, an explanatory footnote, "Estimated contribution to revenue, nil." Take the State Brickworks. Here we have a deficiency of £2,321. The State Implement Works, a surplus of £4,616. But the footnote says "Contributions to revenue, nil." Where is the £4,616 if there is to be no contribution to revenue? Leaving out the amount written off the State Implement Works, namely £120,000, it will be found that if the works paid interest and depreciation they would show, not a surplus of £4,616, but a deficit of £7,000. On the same principle the State quarries would show, not a surplus but a loss of over £500. The State Steamship Service shows a loss of £10,720, but those who have followed the history of the "Kangaroo" know that that can be nothing like the actual loss. That ship has cost no end of money in repairs, has come out in ballast, and is due to take a picnic party to Singapore. However, for my purpose I am accepting the figures as they appear.

Hon. J. W. Hickey: What is your purpose?

Hon. A. LOVEKIN: To reduce the estimates, to bring expenditure within revenue. I propose to show how those losses can be saved. The sawmills show a surplus of £31,013. The balance sheet shows only 4 per cent. on the turnover. Seeing that they have paid no royalties, no rents and no rates, it is quite obvious that the State would be better off without them.

Hon. J. Ewing: Are you sure they do not pay royalties?

Hon. A. LOVEKIN: It is not shown on the balance sheet. It cannot be said that the State Sawmills have been of any benefit to the community, because it is common knowledge that they have joined in the combine with Millars and Whittakers and fixed the price of timber. The trading concerns should either be sold, leased or scrapped. The State would be much better off without them.

Hon. J. W. Hickey. That is really the first suggestion you have made.

Hon. A. LOVEKIN: I have made other suggestions. I have suggested cutting down the Education Vote. I have suggested certain economies, and now I suggest that we ought to sell, lease or scrap the trading concerns. The admitted loss on the Wyndham Meat Works for this year was £97,030. I agree with Sir Edward Wittenoom that we should get rid of that incubus at any price.

Hon. C. F. Baxter: You cannot do anything with it until it is completed.

Hon. A. LOVEKIN: I understood it was completed, but the Government propose to spend another £100,000 upon it.

Hon. C. F. Baxter: Additional storage must be provided.

Hon. A. LOVEKIN: What is to be done with the works when the additional storage is provided?

Hon. Sir Edward Wittenoom: Let the new proprietor add the storage.

Hon. A. LOVEKIN: Yes. He might do it on a more economical plan than will the Government. I have now pointed to savings of £673,000, which I think is sufficient to clear the deficit. That is a sum sufficient to clear the deficit and leave about £100,000 towards the redemption of the accumulated short-ages. There will also be some measure of saving in respect to the £54,000 which is provided on the Estimates this year for the payment of interest to the London, Westminster and Parr's Bank on our overdraft in London. We have not only the Treasury bills to think of and the deficit, but we have this large overdraft.

Hon. A. Sanderson: How much is it?

Hon. A. LOVEKIN: It is bordering on two millions of money. The Treasury bills it wiped out momentarily only. As soon as we wiped out the overdraft we began to recreate it, and this month it will go up again and once more in December. I have only touched upon a few heads in order to show that something could be done in regard to our deficit. I do not believe in criticising the Government for having a deficit unless I am prepared to offer some suggestions for relieving the situation. Whether these suggestions are good or bad, it is for hon. members to say. At any rate they are suggestions of some kind whether they have merit or otherwise. If hon. members do not approve of this way of meeting the deficit I hope they will substitute some other method of improving the state of finances. We must all agree that something must be done. Whether members agree with my views or not is immaterial so long as something is done to wipe out the deficit. I have much pleasure in moving the motion standing in my name.

On motion by the Minister for Education, debate adjourned.

BILL—BUILDING SOCIETIES ACT AMENDMENT.

Recommittal.

On motion by the Minister for Education, Bill recommitted for the purpose of further considering Clause 2.

Hon. J. Ewing in the Chair; the Minister for Education in charge of the Bill.

Clause 2—Amendment of Section 2:

The MINISTER FOR EDUCATION: I have recommended the Bill in order to make an addition to the amendment proposed by Mr. Nicholson. Mr. Nicholson moved that

the words "such fees as may be prescribed by the Governor" should be struck out and "the same fees as for the time being are payable on a transmission under the Transfer of Land Act" should be inserted in lieu. That was agreed to. The intention of the hon. member was to restrict the fees. He was afraid they might be in excess of those payable on a transmission under the Transfer of Land Act. The real effect of the amendment, however, is to do exactly the opposite, and make these transmissions very costly to the societies. It makes it obligatory on the registrar to charge transmission fees to the amount of 10s. per instrument. I have no objection to the words suggested by Mr. Nicholson remaining in the clause as the maximum, but they would entirely defeat his object and be contrary to the wishes of the building societies should they lay down this as a fixed charge. I move an amendment—

That the words "the same fees as for the time being are payable on a transmission under the Transfer of Land Act" be struck out and the words "and on payment of such fees, if any, as may be prescribed by the Governor, but not to exceed such fees as for the time being are payable on transmissions under the Transfer of Land Act" be inserted in lieu.

There are many cases where the fees will not be insisted upon, and other cases where it is not proposed to charge more than 2s. 6d. or 5s.

Hon. A. SANDERSON: I regret that the amendment does not appear on the Notice Paper. In the absence of Mr. Nicholson I think the proper method of dealing with the matter is to put the amendment on the Notice Paper, and give hon. members a chance of going into the question.

The MINISTER FOR EDUCATION: I had no opportunity of placing the amendment on the Notice Paper. The Bill appears before us this evening in the third-reading stage, and the only course I could adopt was to recommit it. I am prepared to allow the matter to stand over and to report progress.

Progress reported.

BILL—INSPECTION OF MACHINERY. Second Reading.

Debate resumed from 29th September.

Hon. R. G. ARDAGH (North-East) [9.27]: I have listened with interest to the debate on the Bill. The framers of the measure are evidently anxious to make better provision for the inspection of machinery and boilers, and for protecting the lives of those engaged in connection with them. The nature of the Bill is such as to require the most careful consideration of members. I have had experience as an engine-driver, and wish to refer to certain clauses appearing in the Bill. My first reference will be to Clause 6, Subclause 3, which deals with the question

of applications for the position of inspector of machinery. I should like to know if the subclause refers to applicants having a knowledge of electrical power as well as possessing ordinary engineering experience. At the present time the use of electrical power is increasing, but the clause does not provide that an applicant shall have a full knowledge of electrical power and machinery in addition. (Clause 15, Subclause 4, is not to my mind as it should be. It provides that no young person under 16 years of age shall be allowed to be in charge of any passenger lift. I understand that there are some lifts in operation which are not attended at all. I cannot see any provision in the Bill to cover such lifts. A lad of 12 or 14 years of age may enter a lift and press the button with the result that he operates the lift to ascend and descend, as the case may be. There is no provision to prevent such a lad operating the lift but merely one to the effect that a lad under the age of 16 years must not be employed in working a lift. Clause 16, Subclause 3, provides that all machinery shall be inspected at least once a year, except lifts which shall be inspected at least twice a year. It also provides that all machinery driven otherwise than by a steam engine shall, for the purpose of inspection and the granting of certificates, be divided into groups, each group to consist of one motor as defined and the machinery driven by such motor. When the Minister is replying, I would like to know whether the fee is to be charged for each group or for each motor, because there is a great distinction between the two. Clauses 36 and 37 provide for the payment of fees for the inspection of boilers and machinery and show how the fees are to be determined. Exception has been taken regarding these clauses and the manner in which the fees are collected by inspectors. For instance, recently a letter was sent to me by a primary producer who complained of the manner in which a certain inspector had approached him. He complained that the inspector went about his business in a very abrupt manner. The inspector went to his premises and did not make himself known. He simply said he wanted to see the machinery. The complainant in this case is a young Englishman who came out to Western Australia on account of the glowing reports of the country. He brought some hundreds of pounds into the State and was evidently a desirable person either to settle on the land or to engage in one or other of the forms of production. He is the owner of a dairy, known as the Lion-hurst dairy, on the Wanneroo-road, at Osborne Park. He referred his complaint to me about 18 months ago and I brought it under the notice of the Minister. In a letter to me he said—

Seeing that the Machinery Bill is now before Parliament I hope you will think of the action of the machinery inspector, which I brought under your notice some 18 months ago, and his contemptible method of carrying out his duties. I hope

you will use your best efforts to remedy such an imposition as the 5s. tax on primary producers who are battling for an existence under difficulties and then are called upon to pay for motor cars to carry domineering officials.

He goes on to explain how he came to Western Australia and his objection to the ungentlemanly way in which the inspector acted. He further states—

This year a sensible man called and I gave him the 5s. the law extorts and I got an official receipt. They will forward the certificate when I have settled up for back years.

That affords evidence that he did not settle up in previous years owing to the manner in which the inspector approached him. The Government on the one hand invite people to settle on the land and when they are settled, the Government further settle them by making them pay for many inspectors, and generally they harass the primary producer. Clause 54 deals with the granting of certificates and the powers of the board of examiners, while under Clause 52 protection is afforded to the holders of existing certificates. The provisions, however, mean that an engine-driver who holds a certificate, dated prior to 1895, will not be eligible under the Bill to drive machinery. This will work a hardship on many engine drivers, because they possess certificates dated prior to that year and will now find themselves debarred from driving certain engines in Western Australia. That is distinctly unfair. As an engine-driver holding certificates from Queensland, Victoria, and Western Australia, dated prior to 1895, I am capable of driving these engines and it will be unjust to many men in this State to legislate in the direction I have indicated. No doubt the framers of the Bill had in mind that men in receipt of certificates prior to that date were presumably incapable of carrying out their duties at the present time. At the same time, the operations of such a provision will work considerable hardship. In Committee I will have something further to say in connection with this matter but I do not intend to take up any further time except to say that the Bill is one worthy of consideration. With many of the amendments placed on the Notice Paper by Mr. Lynn I am in accord. I understand that the Chief Inspector of Machinery also agrees with many of them, and in these circumstances I do not think many difficulties will arise.

On motion by the Minister for Education, debate adjourned.

BILLS (6)—FIRST READING.

1. Criminal Code Amendment.
2. Northam Municipal Ice Works.
3. Permanent Reserve (Point Walter).
4. Gold Buyers.

5. Wheat Marketing.

6. Land Tax and Income Tax.

Received from Assembly.

BILLS (2)—RETURNED.

1. Fremantle Lands.
2. Official Trustee.
Without amendment.

RESOLUTION—FEDERATION AND THE STATE.

Message received from the Assembly notifying that the Hon. F. Collier, Hon. W. C. Angwin, Mr. Money, Mr. Underwood, and Mr. Angelo had been appointed as members of the Joint Select Committee to inquire into the relations between the Commonwealth and the State.

On motion by the Minister for Education, resolved: "That the Legislative Council acquaints the Legislative Assembly that it names 2.30 p.m. on Thursday, the 13th inst., as the time, and the committee room of the Legislative Council as the place, for the first meeting of the committee referred to in the message."

House adjourned at 9.40 p.m.

Legislative Assembly.

Tuesday, 11th October, 1921.

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

QUESTIONS (2)—EDUCATION, STATE SCHOOL PIANOS.

In Metropolitan Area.

Mr. A. THOMSON asked the Premier: 1, How many pianos are there in State schools in the metropolitan area? 2, How many of these pianos have been supplied by the