

towards others, and kindly and considerate towards those who differ from him. He has ever endeavoured to win people to his way by persuading them that the course he pursued was in the best interests of the country. I thank him for his kind references to myself. What I have done to help him in any way I will be extremely pleased to do for his successors. I wish them successful Ministerial careers, and hope that the same consideration will be shown by them towards me as was always exhibited by Mr. Drew. There is one other characteristic of Mr. Drew that was most marked. I think it helped very much towards his effectiveness as a Parliamentarian. He never interjected. Over and over again I have listened to speeches when his opponents were distinctly wrong. He allowed them to go on, and to commit themselves fully without correcting them. But when he came to reply, his reply for that reason was the more effective. I do think that Mr. Drew's Parliamentary skill helped him very materially in his successes. His skill was shown by always keeping his knowledge well up his sleeve until the time came to answer his political critics.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply) [5.50]: I should like to make a brief reply. It is really impossible for me adequately to reply. I cannot say how deeply I appreciate the very valuable sentiments which have been expressed in my regard. I know very well that they will be highly valued by my wife and family. They will be a standing testimony in my favour, a certificate of character coming from those with whom I have worked in amity for so many years. I have never had such a tribute paid to me during my life, and it would not be possible for me to receive another such tribute. Kind things have been said in this House before, very kind things which have been a great help to me in many ways. Members of the Council have excelled themselves to-night. I will treasure the records of the speeches that have been made here by those who are ranged on a side of politics contrary to that which I occupy. I expected this, knowing members here, and that they do not allow political bias to govern them on occasions like the present. I knew very well they would have something to say about me, but I scarcely expected that they could possibly have gone as far as they

did this afternoon. I hope members will accept my good intentions, which cannot possibly be conveyed in words. I say goodbye to every member, and can with truth state that I regard everyone present, and those who are absent, not only as my political friends, but my friends in every respect.

Question put and passed.

House adjourned at 5.52 p.m.

Legislative Assembly.

Thursday, 27th August, 1936.

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

ELECTORAL—BROWNHILL-IVANHOE CONSTITUENCY.

Seat Declared Vacant.

Mr. **SPEAKER**: I have received the following communication from the Deputy Premier:—

I have the honour to inform you that Mr. F. C. L. Smith, member in the Legislative Assembly for the Brownhill-Ivanhoe electoral district, has accepted an office of profit under the Crown, to wit, the office of Minister for Justice and Railways. Would you be good enough, therefore, to issue your warrant for the vacancy thus created.

THE MINISTER FOR LANDS (Hon. M. F. Troy—Mt. Magnet) [4.35]: I move—

That, owing to the acceptance of an office of profit under the Crown, the seat of the member for Brownhill-Ivanhoe be declared vacant.

Question put and passed.

QUESTION—TAXATION, FINANCIAL EMERGENCY.

Mr. HEGNEY asked the Treasurer: 1, Is the Taxation Department in a position to show (a) the number of persons who have paid financial emergency tax according to the respective rates of incidence; (b) the annual amount of revenue received at the respective rates? 2, If the answer is in the affirmative, what are the replies to (a) and (b) above for the last financial year?

The MINISTER FOR LANDS (for the Treasurer) replied: 1, (a) No. (b) No. 2, Answered by No. 1. It may be stated that the major portion of this tax is collected at the source and is paid by means of stamps and remittances by employers. Dissection of these amounts into the respective rates of incidence is not possible, as no information is supplied from which a dissection could be made. With regard to the portion of the tax which is collected by means of annual assessments, no particulars of the tax paid at the respective rates of incidence have ever been taken out and could not be compiled without a detailed and costly examination of all assessments. Even if this were done, it would be of no value without similar particulars with regard to the collections at the source, which, as set out above, it would be impossible to obtain.

QUESTION—MINING RESERVATIONS.

Mr. MARSHALL asked the Minister for Mines: What was the number of reservations granted for prospecting or mining for gold in existence at the 30th June, 1934, 1935, and 1936 respectively?

The MINISTER FOR MINES replied: 30/6/1934, 66; 30/6/1935, 83; 30/6/1936, 72.

QUESTION—NURSES FROM EASTERN STATES.

Mr. J. MacCallum SMITH asked the Minister for Health: 1, How many nurses were recently imported from the Eastern States? 2, At what cost to the State? 3, What was the necessity for their introduction?

The MINISTER FOR HEALTH replied: 1, 17. 2, None. 3, Insufficient nurses available here to staff our hospitals following the 48-hour award.

LEAVE OF ABSENCE.

On motions by Mr. Wilson, leave of absence for two weeks granted to the Premier (Hon. J. C. Willecock—Geraldton) and for four weeks to Hon. P. Collier (Boulder) on the ground of ill-health.

ADDRESS-IN-REPLY.

Seventh Day—Amendment.

Debate resumed from the previous day.

MR. DOUST (Nelson) [4.36]: At this stage I shall take the opportunity to convey my congratulations to you, Mr. Speaker, as many of the other speakers have already done. Unfortunately, I have not been in a position to appreciate your good services in the past. After you hear that I represent a district in which a great number of blunders have been committed, and it is quite possible, in view of my environment, my association with that district will occasion me also to make blunders in this House, you will understand that, while I congratulate you upon your re-election to the Speakership, I shall, to some extent, expect a quid pro quo in anticipating your protection and assistance if I should make blunders in the future. To the Government I say that I do most sincerely offer my congratulations to them upon their return to power for another three years. It has been stated that they have been returned to office with a reduced majority, but it must be remembered they still represent a majority of the electorates throughout the State. While I am a member of this Parliament, I shall always consider it my duty to support the Government on all possible occasions, excepting only when I regard their proposals as clashing diametrically with the interests of my electorate. To the new Minister who was elected yesterday, Mr. F. C. L. Smith, I also desire to offer my congratulations. I trust and hope that his experience in office will be pleasant and that, after spending the next 12 or 15 years as a Minister of the Crown in this State, and when the electors, as is customary, turn good men out of office, he will be able to look back with pride upon the services he has rendered to the State during that period, and that he will be able to leave the Treasury bench without feelings of regret. As for myself, I contend that I represent probably one of the most cosmopolitan electorates within the State. There are quite a number of wool

and fat lamb growers in my constituency, while fruit-growing is also represented, as well as the cultivation of cereals, particularly oats. Tobacco and hops are also grown in the district and, I believe, in that district only. Dairying, with its various sidelines, including cheese manufacture and pig-raising, is one of the principal agricultural industries in the electorate. Then we grow potatoes and also have in our midst a secondary industry—sawmilling. The last-mentioned industry is very largely represented in the Nelson electorate, particularly when we remember that two of the State sawmills operate there. Sleeper-hewing is also carried on to a large extent by licensed as well as unregistered hewers. In addition to that, there are 300 or 400 sustenance workers, most of whom, unfortunately, are single men, and probably an equal number of men employed in similar types of work with no particular classification. On top of that, I represent no fewer than seven small towns with populations ranging from 200 to 1,100 souls, and throughout the electorate there are 15,000 people in residence. As an Independent, I think I can claim to be able to represent such a diversified set of interests far better than I could as one pledged to either of the several political parties in this House. I can at this stage tell members sitting on the Government side of the House that I intend to be a candid critic. My criticism will not be of a carping nature. I am one of those who do not feel like pulling down unless I believe I am able to build up, and to build up better, as my conscience dictates. While I shall candidly criticise the Government, members opposite can be satisfied that where their legislative proposals are for the betterment of the State, they will find me voting on their side of the House very frequently indeed.

Government Members: That's good.

Mr. DOUST: I believe that there is much good in the platforms of all political parties. Personally I do not believe in party government and I can certainly say that I do not believe that party recriminations—particularly as they were indulged in just before and during the last general election—are at all beneficial to the people of Western Australia. I am quite humble in saying that I do not think such tactics reflect much credit on the dignity of candidates who

indulged in those reflections and recriminations.

Mr. Raphael: The Leader of the Opposition bows his head in shame.

Hon. C. G. Latham: You have no shame at all.

Mr. SPEAKER: Order!

Mr. DOUST: If the member for Victoria Park, who interjected, had been listening to me during my election campaign, he would probably have found my strictures were just as definitely against his party as against that led by the Leader of the Opposition. I hope I shall be able to examine legislation that is brought before the House and vote as my conscience may dictate, without reference whatever to the political shibboleths of any of the parties represented here. Consequently, I am sincere in my congratulations to the Government and, as I have already stated, I shall on all occasions do my best to assist them in passing legislation that is for the benefit of Western Australia. I intend during my speech to refrain as much as possible from mentioning parochial matters, but there is one exception which I shall mention in a moment. I believe I shall have an opportunity to bring other matters affecting my electorate before the Chamber during the discussion on the Estimates. The only matter of a parochial nature that I consider it necessary to bring forward at this stage is one that concerns the Minister for Water Supplies. This has reference to the water supply catchment in Bridgetown. Possibly my statement will come as a surprise to members of the House, knowing as they do what a wet part of the State that is. On the 1st August, the quantity of water impounded was 2,800,000 gallons, whereas the average on that date for the past six years has been 12,000,000 gallons. On the 19th of the month the quantity had increased to a little over 3,000,000 gallons, whereas the average quantity has been 18,000,000 gallons. At this time last year the quantity was 16,000,000 gallons. The people of Bridgetown were very much concerned this time last year when they had 16,000,000 gallons, but as they now have less than 4,000,000 gallons, the Minister, I think, will recognise the seriousness of the position. Unless we have particularly heavy rains within the next two or three months, it is

certain that a large quantity of water will have to be carted to Bridgetown, especially for railway requirements. I hope the Minister will take immediate steps to ascertain whether something can be done to augment the supply before it is too late in the year. Perhaps at this stage it would not be out of place to inform the House that I am one of those who will not, during the present session, be asking for a reduction of taxation. I am perfectly well aware that if a reduction is made in taxation of one form, then of necessity we shall have to increase taxation in some other form. The money is required to carry on the work of government in Western Australia, and it seems problematical indeed whether any general reduction of taxation can be made. The hospital tax appears to be a sort of hybrid system under which a single man receiving 30s. a week has to pay 1½d. in the pound and a man receiving £200 per week or per month also pays 1½d. in the pound. In my opinion, that is not democratic. I think the tax should be increased and graded somewhat similarly to the financial emergency tax. The worst feature is that while we have to pay the hospital tax, we get no benefit from it. It would be far better to increase the tax to some extent, particularly on the higher grades of income, and receive some benefit for our payments, rather than allow the incidence to remain as at present. In 1930, I believe, the original measure made provision for certain exemptions, £250 for married men and a considerably lesser sum for single men. Such men were to be entitled to hospital treatment free of charge owing to the fact of the hospital tax being in operation. In 1931 the Act was altered by adding a provision to the effect that no one could claim exemption from payment of hospital tax unless he proved to the satisfaction of the Minister or of the hospital committee that he was not in a position to pay. Perhaps it would be better to express the position in another way, namely, that the applicant had not received more than the amount of the exemption, that he did not have money of his own in the bank, and did not have assets on which he could realise and thus pay the dues owing by him to the hospital. Whether my complaint is general throughout the State or not, I do not know, but as regards the hospital committee at Manjimup, the original provision seems to be a dead letter.

Every applicant must fill in a form, and the committee decide whether he should pay anything or not. Let me give several instances. A man, whose wife was recently in hospital, has been on sustenance for a long time. His total earnings for the previous 12 months had amounted to £124. The hospital committee are not prepared to make any reduction in the charges to him. He has no land or home; he is renting a house; he has no money in the bank. That follows because he has been on sustenance so long and doing part-time work in the district wherever he could get it. The reason given for not making any reduction was that the wife had been able to go to a private maternity home and presumably had paid the fees there. Consequently it was considered that when she received treatment at the Government hospital, the husband could pay the fees there also. Another man on sustenance with five children has been receiving £3 10s. a week, or less than the basic wage. He has no money. His hospital fees amounted to £26 and, including the doctor's fees, he owed £60. The only reduction the hospital committee are prepared to make is £13. Hence he will still have to pay £13 to the hospital and something like £40 to the doctor, and yet he is a man who comes well within the limit stipulated in the Act. A third man on sustenance for years, with five children, has been receiving the basic wage, but there has been a lot of illness in the family. He had to send children to Perth, under instructions from the local doctor, for treatment. The doctor's fees amount to £12 and the local hospital fees to something like £20. Just after he left hospital, he received an account, and three months later he received a solicitor's letter demanding payment of the fees within a few days, plus 10s. for the solicitor's fee. I claim that the Minister should take steps to ensure that the various country hospital committees are made au fait with the provisions of the Act.

Mr. Fox: How are the hospital committee elected?

Mr. DOUST: I believe that two are elected by the Manjimup Road Board, who guaranteed payment of half the cost of the hospital, two are appointed by the ratepayers, and the rest by timber workers on the mills. It is quite wrong that country hospitals should not give more consideration to this class of people, and recognise that the Act contains an exemption, and that people should be granted the privilege when they

make the necessary application. Another matter I wish to bring under the notice of the House is the probability of a shortage of fruit cases during the coming fruit harvest. The probable shortage is 250,000 cases. The cost of fruit cases, I understand, is in the vicinity of £6 10s. per load, while the value of ordinary timber, particularly for export, is in the vicinity of £7 10s. per load. The result is that mills in a position to cut fruit cases do not desire to press this side of the business, because it is not paying so well as the other portion. It will be a most serious matter, not only for the fruit-growers but also for the State, if we are not in a position to ship the whole of the exportable surplus, particularly of apples. It has been suggested that smaller mills could be erected, but owing to the fact that our redwood case, which is claimed to be an advertisement for Western Australia and a trademark of our growers, has to be planed, the cost of installing planing machines would be entirely beyond the financial resources of any small miller. Consequently the work can be undertaken only by those who are in a good financial position. Karri is the principal timber used, and as two of the State sawmills are operating in the karri country, and only one privately-owned mill is operating on a large scale, it follows that we must look for help more from the State sawmills operating in the karri country than from the privately-owned mill. I hope the Minister will do his best to persuade the manager of the State Sawmills to overcome this great difficulty. It may be said that fruitgrowers could use whitewood. Such cases are available at a little higher cost than the redwood, but if growers used whitewood cases, they would immediately lose the identification for their fruit on the overseas market, and their trademark would go by the board. Consequently they are much averse to using whitewood cases. It may be possible to use whitewood for fruit for local consumption. The whitewood cases, however, are much dearer than redwood, except that there is a rebate of 4s. a case when it comes to exporting them. That brings down the cost to one that is comparable with the red case. It would be necessary for the Government to endeavour to persuade the Federal authorities to allow the rebate for whitewood cases when used for local consumption. With reference to the Speech, I wish to add my congratulations to the Government for having

secured a surplus for the first time for many years. It is pleasing to know that this surplus has been secured by following the orthodox financial methods. It must be a source of great satisfaction and gratification to the Premier and his colleagues. It may be assumed by some that this surplus indicates that we have passed one of those many corners we hear so much about, and that we are now in a straight wide road which leads to financial prosperity. That is not my opinion. Although this surplus may be of advantage for window-dressing displays, I view it in an entirely different light. I feel confident in stating that the surplus has been attained at the expense of the unemployed, the sustenance and part-time workers. No matter what the actual surplus may be, whilst we have one part-time worker, man or woman, working for less than the basic wage, we cannot claim in any circumstances that we have turned the corner and are heading for prosperity. Until everyone can enjoy a reasonable standard of living, and the value of the primary products brings sufficient remuneration to enable our producers to enjoy a similar standing, and to pay a reasonable rate of wage to their employees, it cannot be contended that we are reasonably prosperous, or that we have left behind us this artificially created depression. Whilst I keenly appreciate the fact that we are only a subordinate Government, and are ham-strung by the Commonwealth so far as the major phases of Government are concerned, I wish to point out that it is problematical if it will ever be possible for the Australian people to enjoy reasonable prosperity under our present system of Governmental book-keeping. Although the price of some of our primary products may rise, as it has done recently in the case of wheat, and this may provide a semblance of indication of a return to prosperity, I may well ask at what expense this has been obtained. Do members realise that this increase in the price of wheat has been obtained through a catastrophe to farmers in Canada? If our opportunity of enjoying a better standard of living amongst the producers can only be obtained through similar catastrophes in other parts of the world, do not members think we are paying too high a price for the improvement in our conditions? This may mean temporary affluence here, but it must mean great pov-

erty in some other parts of the British dominions. Until the Commonwealth and State Governments are prepared to adopt the double-entry system of bookkeeping, placing the liabilities on one side and the assets on the other, tabulating and showing the financial position in its true light, weighing our real wealth, labour, goods and services against our financial liabilities, our debts plus the cost of social responsibilities, the people themselves will never realise the real wealth of the land we live in. In other words, until we persuade the people that our real wealth, our ability to produce goods and services, and our capacity to exchange same, where, when and as required, both to our own and other people, so long shall we be groping about seeking prosperity, which I claim is no nearer now than it was in the depth of the depression. Until our real wealth and our assets take precedence over our paper and fiduciary liabilities, just so long will our difficulties be found to be insurmountable. I wish now to deal with that very vexed question which has been exercising our minds so much in the South-West. I refer to the rehabilitation of the group settlements. I approach this question not as an agitator, as I have been described, but as one bearing in mind the repercussions to the State as well as to the unfortunate settler himself. All, I think, are agreed that the scheme was originally brought into operation to open up the South-West, and to prevent a flood of imports from the Eastern States, amounting to about a million and-a-half annually. I freely admit that mistakes have been made on both sides, by the Government as well as by the settler. I claim, however, that to-day no loss has been made by the scheme, at least no loss to the State. I hope to prove conclusively that since responsible Government no scheme fathered by the State has ever been put into operation that has been of such great advantage to the people of Western Australia. By the expenditure of about seven and a half millions we have been able to provide avenues through which the State has prevented at least a million pounds going in the purchase of dairy products from the Eastern States. If that is so it means a return of not less than 15 per cent. per annum on the expenditure of

seven and a half millions. The balance of trade between us and the Eastern States is bad to-day from our point of view, but it would have been at least one million pounds more per annum had it not been for the establishment of group settlements. Whilst we are paying something like four hundred thousand pounds per annum for interest borrowed on the money for the establishment of the scheme, we are still left with six hundred thousand pounds which can be paid for imports either from the Eastern States or elsewhere. It is extremely difficult to measure the indirect benefits to the State and the majority of its people. It can be taken as largely outweighing any contingent indirect losses. Great assets have been developed through settlers having become dairy-minded. In 1920 there were two or three factories, and now 12 or 15 butter factories have been established. There are also four or five cheese and condensed milk factories. These would never have come into being but for the inauguration of group settlements. The old settlers would never have become dairy-minded, nor would they have had the incentive to embark upon dairying as they have done, but for the impetus which was provided for them. The people of the State are to be congratulated upon the success which has been achieved through the inauguration of this scheme. Blunders have been made in the past, but I am afraid the greatest blunder of all is being perpetuated and will be allowed to continue. The abandonment of group holdings is the greatest blunder, far transcending anything that has ever been done in the past, and hurting this State to a far greater extent than most people imagine. Something like 700 group homes are abandoned to-day. Do members realise what this means? I am adding interest to the amount involved, not because of the fact that it may have been collected had the settlers remained on their properties, but to show what a small amount interest represents when we take other questions into consideration. I am taking the new values and not the original cost. The interest on the 700 abandoned holdings amounts to £21,000. These properties are depreciating, and I say without fear of contradiction that they are deteriorating at least at the rate of £100 per annum. These 700 holdings represent no less than £70,000. The settlers have left and

have gone on to sustenance. If they have not all gone on to sustenance, they have taken jobs that sustenance workers were justly entitled to. So far as the State is concerned the result is the same. That 700 people having gone on to sustenance has cost the country no less than £105,000 per annum. And then we have the indirect loss. Those people, had they remained on their blocks, could reasonably have been expected to earn at least £130 per annum in new primary wealth, a total of £91,000 for the year. This makes a grand total loss of £287,000. Of this amount, incurred during the last 12 months, while the present Agricultural Bank Commissioners have held office, £96,000 is an annual loss, arising from the further abandonment of 239 holdings last year. I now give a summary of the position on groups classifying the settlers—

	Good.	Doubtful.	Bad.	Total.
Bunbury ...	12	9	4	25
Busselton ...	102	239	48	389
Denmark ...	21	60	17	98
Manjimup ...	41	134	115	290
Peel Estate ...	74	25	1	100
	<hr/> 250	<hr/> 467	<hr/> 185	<hr/> 902

The Minister for Lands: Who gave you that information about the settlers? Did you classify them yourself, or who classified them?

Mr. DOUST: I justify the statement by mentioning that I took it out of the annual report of the Group Settlement Commission which was laid on the Table of the House two or three days ago.

The Minister for Lands: That is all right, then.

Mr. DOUST: It will be seen that there are 250 good group settlers, 467 doubtful ones, and 185 bad ones, making a total of 902, or, with the 692 settlers who have abandoned their blocks, a grand total of 1,594. That figure 1,594 does not compare well with the original number of 2,000 blocks. I am not altogether able to explain the reason, but we know that a number of blocks have been abandoned and a good many others linked up. This probably explains why there are only 902 group settlers to-day. The Agricultural Bank Commissioners have stated that they expect a further number of settlers to leave. It has been stated on fairly good authority that they expect anything up to 30 per cent. of the present settlers to leave, which would mean 300

additional abandoned holdings. Taking 200 abandoned holdings for the current year, let me show what the loss to the State will be. The interest would amount to £9,300, depreciation to £20,000, sustenance for the men leaving their blocks would amount to £30,000, and the indirect loss I estimate at £26,000. Thus the Commissioners are budgeting for an annual loss of £85,000 additional to the £287,000 I mentioned previously. I regard the estimate of the Commissioners, that 200 settlers will leave their holdings this year, as entirely optimistic. In considering this national loss of £287,000 annually, of which £96,000 has been incurred since the Agricultural Bank Commissioners took office, I have to point out that if all the interest were collected from the remaining group settlers, it would amount to only £43,000. Compare with that amount of £43,000 the expected loss of £85,000 during the coming year, and the actual loss of £96,000 last year, additional to the £287,000 lost since the establishment of group settlements! Hon. members will agree with me that although many blunders have been made in connection with group settlement, the blunder at present being made transcends anything that has occurred in the past. Much has been said about the writing down of group settlement holdings. Based on the price of butter fat, which is the crux of the whole position, present valuations are higher than those of 1929. During the last seven years butter fat prices have ranged as follows:—1930, 1s. 4.10d. per lb.; 1931, 1s. 4.07d.; 1932, 1s. 1.42d.; 1933, 11.29d.; 1934, 9.31d.; 1935, 10.87d.; and 1936, 1s. 2.38d. The Agricultural Bank Commissioners claim that through their re-organisation they have been enabled to collect a much larger amount of interest during the last 12 months than could be collected previously. They consider that a notable success of their re-organisation. I assure the House that the larger amount has been collected simply and solely because in 1935 the settlers paid every possible penny they could, and in 1936 did the same. Because they received an additional 3d. for butter fat, they were able to make the amount paid by way of interest very much higher. As the late trustees sensibly recognised that it was a physical impossibility for the settlers to pay in 1930, so to-day the public, if not the Bank, will recognise that the same impossible position exists now as regards paying interest in full. If butter-fat falls, the position be-

comes worse. Would any person possessing a knowledge of the dairying industry suggest that at present there is not a great probability of butter-fat falling, and falling considerably? Even if good settlers to-day consider they have a reasonable chance of paying their interest with butter-fat at its present price, have they considered the other difficulties with which they must contend? Do the Western Australian public recognise the great difficulties against which men engaged in dairy farming in the extreme South-West have to struggle? Take the consequences of red-legged mite—one of the greatest curses from which Western Australia has ever suffered. It is far worse than the ravages of the rabbit. I believe I can say as regards my district that rabbits are a greater menace there than in any other electorate of Western Australia. Then there is the clover flea. Happily there is a parasite that will combat the ravages of that pest. Besides the rabbits, we have the grasshoppers. I observe that the Agricultural Bank Commissioners' report states that grasshoppers have been reported in certain parts of my electorate, but I can assure hon. members that the position is far worse than reported. Large numbers of abandoned properties were absolutely ruined last year as regards feed. With the dry summer, probably the ravages of grasshoppers in the South-West would be just as bad as they have been in some portions of the wheat belt, according to the Press. Then the South-West has such diseases as mastitis, sterility, abortion, toxic paralysis, and others. No person who knows anything about dairying will deny there is a possibility, or even a probability, of these diseases, or some of the pests, striking the settler; and no matter how good the settler, if one of these troubles strikes him, his calculations will be upset entirely. Let us remember that the Commissioners, in placing their scheme before the public on the 10th June last, declared that every settler had to pay his interest in full or else get off his property. Is it to be wondered at that some settlers are becoming downhearted? Do the people of Western Australia consider it peculiar that the settlers should try to protect themselves in the position that has arisen? Again, I want the people of this State to realise what the new scheme means. I freely admit that probably the proposed method of paying off principal is one of the best that could be devised.

But whilst settlers may be able to pay £1 a week for each thousand pounds, equivalent to £50 per annum, let it be borne in mind what they will have to pay in future years. The average of the capital payments proposed are as follows:—

	£	s.	d.
First five years, 1940-45 ..	63	3	0
Second five years, 1946-50 ..	81	5	0
Third five years, 1951-55 ..	100	0	0
Fourth five years, 1956-60 ..	118	0	0

It is extremely doubtful whether good settlers, even supermen, will be able to build up the production of their herds to cope with those increased payments to the Bank. Some good men realised that difficulty in the past, and they left the groups as opportunities offered. It has been stated that all the settlers left on the groups are duds. I also wish to deal briefly with this wonderful 20-cow standard. I say definitely that without labour it is only a superman that will milk 20 cows. It will take at least seven or eight hours of his labour each day to milk those cows, separate, and feed the necessary stock that he has on the farm. In addition, he will have to do his ploughing, his cultivating, his draining, and the extra feeding of his cows, and the hundred-and-one things that a farmer has to do. And even although he does not employ any extra labour, except about £10 worth for harvesting, by his perfect farming methods, after purchasing all goods required to allow him to farm properly, he will make the magnificent sum of £70 per annum—considerably less than a single sustenance worker gets who is working on the abandoned farms at present. That is the utmost that a superman can earn, operating under the 20-cow standard. And if it should come back to the 15-cow standard, which is nearer the average number of cows milked on the groups throughout the district, the settlers would get 12s. 6d. per week each to keep themselves and their families, some of them having up to six or seven children. So that is what those people are doing, or striving to do, in the South-West.

Mr. Raphael: Some of the families would number up to 12 or 15, would they not?

Mr. DOUST: I do not know.

Mr. Raphael: I do, for I have some in my district.

Mr. DOUST: Then I hope the hon. member can secure for them better treatment than is available in the South-West. Probably quite a number of members are under

the impression that we have a lot of misfits and wasters in the South-West. I want members to disabuse their minds on that point. The settlers there are genuinely desirous of staying on their farms, and I may say that the past four years of very low prices for dairy produce certainly have removed all incompetent farmers. Men do not voluntarily remain on their holdings with precarious prospects unless they are imbued with the desire to make good. The term "misfit" is a downright libel on an industrious people working under hard conditions and great difficulties. The greatest difficulty facing them to-day is the fear of dispossession, the lack of security. This fear has the effect of cramping initiative with its constant worry and consequent lack of energy. The Bank officials may contend that this is not so. As a matter of fact, the Commissioners have informed us that the settlers have absolute security of tenure by paying their interest in full each year. I consider that assertion by the Commissioners is an insult to their own intelligence. Reverting to the word "misfits": In 1923, in the Manjimup district alone, we had over 80 soldier settlers and, in addition, 30 ordinary Agricultural Bank clients. These people were Australians, not people brought out from England. How many of them remain to-day? I am doubtful if so many as 20 soldier settlers remain, and so far as I can remember there is not one of the ordinary Agricultural Bank clients engaged in dairying to-day. Those men have proved the physical impossibility of carrying on in that heavily-timbered country and under those conditions, and they have anticipated the Commissioners' request for them to get out, for they went while the going was good, or at least better than it is to-day. Were all those men misfits; were the soldier settlers misfits? They may be so described by the Commissioners, but I can well remember the days when those soldier settlers were acclaimed heroes on leaving Australia's shores, and I think it a damnable shame that the words "misfits" and "wasters" should be applied either to the soldier settlers or to the majority of group settlers who were soldiers in the Old Country. Another thing that is causing the settlers to lose faith in the department is the direct repudiation that has taken place on in-

numerable occasions, not altogether by the Commissioners themselves, but by the Bank's inspectors. Let me just mention a couple of instances. The settlers were invited by the highest officials in the Agricultural Bank and in the Government service, by members of Parliament, by the Premier, by the Lieut.-Governor, and by the Leader of the Opposition to do as much spare-time effort on their farms as they possibly could, assuring them that in the long run they would reap the benefit of it. Also the settlers were advised to purchase their own stock and their own machinery if they could possibly do so. Yet what do we find to-day? The stock and machinery have been taken from them under liens by the Agricultural Bank, while those settlers who have carried out most improvements find their blocks valued at 50 per cent. higher than those of settlers who did nothing in the way of improvements. So the settlers who carried out the behest that they should work harder and show more enterprise have paid a second time for their farms and their implements and their labour, and with interest added. Then we had a plan put forward by the Commissioners last year under which the settler was to enter into the following agreement:—

Form of Agreement.

I,....., the holder of.....
Location,.....agree to pay towards current interest during the ensuing year ending June 30, 1936, by monthly instalments commencing from....., 1935, the sum of £.....

Instalments will be collected from proceeds in each month on procuration order signed by me, as follows:—

Month.	Amount. £
July	
August	
September	
October	
November	
December	
January	
February	
March	
April	
May	
June	
Total	

I further agree to effect, within one year of the signing of this agreement, on the security improvements to a value equal to the amount of current interest not paid, as set out here-

under, such amount to be placed to a non-interest-bearing suspense account until the general debt position is considered by the Commissioners.

Improvements.

Value, £.....

Specification.

Note.—This agreement is not to be construed by either party as being any indication of the value of the security.

Any ordinary man reading that agreement I think would come to the conclusion that by carrying it out to the letter—as the Bank agrees they have done—their interest would have been paid to the 30th June last. Yet what do we find? That interest has been debited against their accounts, and even before the 30th June they received new assessments for interest at 5 per cent. I claim that that is definitely an act of repudiation. To me this word “repudiation” is very obnoxious, and actually it is repugnant to the British sense of justice usually prevailing throughout Western Australia. The Bank’s action in that regard would break the heart of any man and, indeed, the better the man the greater the crash must be for him. I wish to deal briefly with the Catterick settlers. They have suffered from this form of repudiation to an even greater extent than other settlers in the South-West. I have been informed that the Leader of the Opposition at one stage considered the Catterick or Hester group was the bright spot in the group settlement areas. I believe he was perfectly right in forming that opinion. Those settlers have spent probably more than £1,000 annually from their war pensions in improving their properties, purchasing their stock and sheep, buying implements and planting orchards, etc. Yet to-day the average valuation of those blocks is over £1,250, which, according to the statement of the Agricultural Bank Commissioners, is nearly 50 per cent. higher than is to be found in the remainder of the group areas. Let me point out also that the Catterick group settlers are not to be confused with any so-called agitators in the South-West. Actually, the Catterick settlers were the first to call a meeting and make a protest against this unfair valuation. I may say they met even before the members of the co-ordination committee met, and not one of them, I think I am correct in saying, has signed any procuration order. So much for the statement that the group settlers would have signed their procuration orders had it not been for

the agitators going to and fro through the South-West. Now I will deal with that wonderful word “anomaly.” It is a blessed word this, but it is not used in its right sense. “Anomaly,” so far as I can gather from the Bank’s interpretation, means camouflage, downright carelessness and injustice, and in many instances downright incompetence by the Commissioners’ advisers. Let me give a couple of instances of what they call anomalies: Two men went on to their blocks on the same day in 1924. One of them followed out the advice of the trustees and did what spare time work he could, bought most of his stock and his implements, and erected a shed valued at £40 on his property without cost to the department. He has 75 acres cleared and his valuation is £1,045. At the same time that this man went on his block the Government paid for the other man for all stock, for all plant and for the erection of a shed on that property. What do we find? His valuation is £775. Thus a good man has been penalised to the extent of £250. Travelling a little further in the district, we find another man with a valuation of £645, I am told. Without hesitation I say he takes off his property more than is taken from any of the adjoining properties, and yet we find that his valuation is still £645, and that four of the nearby properties are valued at £900. This is what is called an anomaly. If credit is given to one man for being a good settler and his valuation is reduced accordingly, and because he has spent a lot of his own money on the property, well and good. That is justifiable; but if it is justifiable in one case it is justifiable in the other cases I have mentioned. So it is difficult to realise what “anomaly” means. It must be remembered that the same officials who have been making these valuations throughout the district are those who have been controlling group settlement for many years. The taxpayer has become accustomed to the old system of bungling there, and it is this system that the Bank Commissioners have to depend upon for information. We have what is known in the South-West as a co-ordination committee—agitators, as they are known by some. I do not belong to that co-ordination committee, but I can assure the House that the personnel consists of a lot of level-headed men. The Bank Commissioners have much to thank that committee for, because they have been the means of keeping the settlers quiet. I have here a telegram I have

just received from the secretary of that committee. I do not know whether members are aware of the trouble at Northcliffe recently, when cream was tipped over and wasted, cream that had been supplied from the blocks where the Commissioners have caretakers to look after the cows. After the occasion of the disturbance, the Commissioners intended to send their vehicle from Bunbury to pick up that cream. This is what the secretary of the committee, Mr. Hall, telegraphed to me yesterday—

Visited Northcliffe yesterday. Trouble there satisfactorily straightened out. Repetition unlikely without authority of the committee. Complete unanimity all centres. Full meeting co-ordination here Sunday.

That is something that the co-ordination committee has been doing, and it is still carrying on its useful work for the benefit of the Bank as well as their own benefit and that of the settlers. This committee prepared a plan and submitted it to the Bank. I will not read it because I think I have detained members long enough.

Hon. C. G. Latham: No fear; let us have it.

Mr. DOUST: Very well. I will read it, and so it will appear in "Hansard." It reads as follows:—

PLAN FOR SUBMISSION TO COMMISSIONERS AGRICULTURAL BANK.

Preamble.

The solution of the Group Settlement problem has been the subject of the most deliberate and earnest consideration of representatives drawn from all centres, Peel Estate excepted, where this scheme is in operation, and every phase having been closely scrutinised and carefully examined by practical and experienced men, in this category of clients of the Agricultural Bank, the conclusions to which they have arrived are as follows:—

It is considered that the essential feature of any scheme shall be, reasonable security of tenure (insofar as factors over which the client has no control, and cannot avoid) should not be permitted to militate against the possession of an equity in his holding.

With this in view it is contended that, where interest and sinking fund are payable, the price realised for the main and staple products of the clients should be the basis of calculation.

Hence, when butter-fat falls to a level where only subsistence for the average family is possible, no part of dairy farm revenue should be devoted to any purpose other than household and farm maintenance.

The irreducible minimum for this to be possible, is contended to be one shilling per pound

for choice grade butter-fat, with proportionate prices for other grades as has been customary.

Hence, in the following outlined plan, the aim has been to devise ways and means to accomplish such a desirable object, whilst, having regard both to the bank and its clients, and bearing in mind the well-established fact that a contented client is the more satisfactory, for which reasonable security is an essential condition.

The Plan—Method of payment of interest and principal.

Where the price of butter-fat does not exceed one shilling per pound, the farmer to retain the whole of the proceeds up to and including one shilling derived from the sale of butter-fat, or whole milk, where sold on butter-fat basis, the basis to be the price fixed by the Dairy Products Marketing Board, or any other statutory authority.

Should, however, the price on this basis exceed one shilling per pound, such amount in excess of one shilling, up to and including fourpence, to be applied to the payment of current interest for the period to and including the year 1939. From and including the year 1940, the amount in excess of one shilling per pound up to and including fourpence shall be applied to the reduction of current interest and principal repayments. Where in any one month the excess price over one shilling per pound exceeds fourpence, such excess price shall be divided equally between the bank and the client. Any amount deductible in any one month by the Dairy Products Marketing Board for the purpose of contributions to any equalisation plan decided upon by statutory authority, shall be deducted from the amount in excess of the one shilling afore-mentioned.

Interest Rates.

Interest shall be chargeable on assessments, as follows:—Year 1936, 3 per cent.; year 1937, 4 per cent.; year 1938, 5 per cent., and the maximum rate of 5 per cent. thereafter, but subject to any fall in interest rates.

Each year to stand by itself.

Where in any one year the interest collected under this plan is insufficient to cover the total amount due for that year, the amount collected shall be deemed to satisfy the bank in its claim for interest for that year.

From and including the year 1940, the amount collected under this plan shall firstly go to discharge current interest and any amount remaining after current interest has been met, such amount shall be applied to the reduction of principal.

Appeal Board.

An Appeal Board shall be set up in the following manner:—

Composed of three members, viz., one Bank nominee, one settler nominee, and these two to select an independent chairman. The settlers' nominee to be selected from the district in which the dispute to be reviewed exists. The

Appeal Board so selected shall be empowered to deal with disputes as they arise. Decision shall be final.

Objects of Board.—The principal objects of the Appeal Board shall be: To settle disputes between the Bank and the client as to the amount of assessment; as to the sufficiency of area; as to the carrying capacity, or any other matter which may be in dispute between the Bank and the client.

New Assessment.

Where it is considered by the settler that the new assessments would be out of proportion to the earning capacity of the farm, the settler shall have the right of appeal. Where it is considered by the settler that the carrying capacity of his farm is below the figure provided hereinafter as a basis for carrying capacity calculations, he shall have the right of appeal.

Carry Capacity.

The basis on which this shall be calculated shall be at the rate of one cow unit to each five acres of pasture within the holding, but where, owing to low productivity of the land this rate can be shown to be too low, then the rate to be taken shall be determined by the Appeal Board afore-mentioned.

Area of Development.

Where, however, the developed area of the farm is insufficient to carry twenty cow units the farm shall be built up to an extent sufficient to carry twenty cow units. Such extra areas may be provided either by linking up where possible, or by extra clearing by sustenance workers—but interest on newly-cleared land shall not be chargeable until after the third year.

The farmer shall retain the proceeds from all recognised dairying side lines.

Side Lines.

Should, however, the farmer depart wholly or in part from recognised dairying practice, the settler to be the subject of special investigation by the Appeal Board, as a means to a separate arrangement with the Bank for interest payments.

Essential Condition.

An essential condition of this plan shall be that the farmer shall carry one milking cow to each five acres of pasture within his holding. Where, however, owing to the nature or quality of the pasture, or land, it can be established that five acres is insufficient as a basis of calculations, the basis shall be decided by the Appeal Board. The settler shall undertake conscientiously and properly to farm the land the subject of the mortgage, shall conserve fodder, consistent with the productive capacity of his farm and the needs of the herd, and shall at all times keep all assets up to the standard as at 1st January, 1936, fair wear and tear excepted.

He shall top-dress his pastures to the minimum amount of 112 lbs. of superphosphate per acre, between the first of January and the thirtieth of June in each and every year, and shall furnish invoice showing purchase of this on or before the thirtieth of July in each year.

He shall insure annually all dwellings and buildings on the property as at 1st January, 1936, on a basis of not less than 75 per cent. of their value as at that date and renewal certificates shall be produced for the Bank's inspection and approval whenever demanded.

In all cases when it can be shown that the gross income, including side lines, from the farm is under £120, on the figures of the year proceeding, that pending consideration by the Appeal Board exemption from all demands of the Bank be granted.

Expenditure.

In considering the merits of the plan it will be necessary to take cognisance of all items of expenditure—in addition to interest—which have to be met to enable the farmer to carry on production, and this in addition to living expenses. The items of farm expenditure necessary to be considered would include: Fertilisers, seeds (cereals, grasses, summer fodder), concentrates, stock licks, stock medicines, tools, sundries (including bolts, staples, nails, etc.), oils and greases, machinery parts, replacements and repairs, dairying utensils, fencing materials, licenses, rates and taxes, vermin poisons, insurance and wages, etc., etc.

The plan deals with the settlers' position as we find it to-day, not with what they might have been, not with what they ought to have been, and not with the hypothetical cases of the future. We have these settlers in all stages, with holdings ranging from 40 acres to 120 acres, and yet they are dealt with on a straight-out basis and all are being asked to pay an equal amount. I claim that it would have been much better had the Bank adopted some scheme such as that. The Commissioners, in their reply to the Co-ordination Committee, stated that they could not approve of the plan owing to the fact that "everybody came first and the Bank came last." I take strong exception to that statement; it is definitely untrue. Under the Bank's plan, payments by clients would, on butter-fat production, be as follow:—

	12 cow clients.			15 cow clients.			20 cow clients.		
	£	s.	d.	£	s.	d.	£	s.	d.
160 lbs. ...	20	0	0	25	0	0	33	6	8
180 lbs. ...	22	10	0	28	2	6	37	5	0
200 lbs. ...	25	0	0	31	5	0	41	13	4

Is it right that the Bank, who have received the moneys even before the settlers got their

amounts, should tell the Western Australian public that "everybody came before the Bank"? As regards anomalies, I have an-

other table to submit, based on statistics collected by me from 91 settlers in my district:—

—	Average Production per Cow.	Average Valuation.	Average per Acre.	Average Butter-fat per Cow.	No. Cows Milked.
	£	£ s. d.	£ s. d.	lbs.	
10 holdings under 50 acres ...	139	848 0 0	19 3 9	46	13
17 " " 50 to 60 acres ...	160	841 0 0	15 12 6	42	16
24 " " 60 to 70 " ...	152	902 7 0	14 8 0	39·8	16
10 " " 70 to 80 " ...	159	890 0 0	12 3 3	32·0	15
13 " " 80 to 90 " ...	142	981 8 0	12 10 9	32·2	18
17 " " 90 to 120 " ...	170	1,156 18 0	11 4 5	34	21
91					

From this table it will be seen that the more opportunity a man has to pay his way, the lesser amount he is to pay for his block. And that is called fair and equitable valuation! The table proves fairly conclusively that the Co-ordination Committee's average of 160 lbs. of butter-fat throughout the South-West was not far wrong. Is it possible to expect settlers to have any confidence in the valuations when such anomalies disclose themselves? The settlers do not expect to have even-handed justice meted out to them. It is impossible. They do not expect it, nor are they receiving it. Suppose everybody were paid before the Bank, suppose everybody else did come first, would that be wrong? Should not the fertiliser merchants be paid? Should not the suppliers of spare parts be paid? Should not the storekeepers be paid the amount of living expenses? If these traders are not paid, it will be impossible for the settler to continue, and then the Bank will receive nothing. We have offered the Bank a very reasonable amount, taking into consideration what the institution has been receiving. We claim that the Bank will receive nothing whatever if they continue on their present lines. Then there are the settlers' sons. It appears that there are not 10 per cent. of the sons remaining on the properties. I am perfectly certain the Minister for Lands will approve of the action taken by those young fellows. They have left the group areas, and have spread throughout the length and breadth of Western Australia in the endeavour to improve their conditions. They know perfectly well that the position

on the dairy farms of the South-West is impossible, and they have left their homes to carve out opportunities for themselves somewhere else in Western Australia. Consequently it is useless for the Bank to expect the settlers to carry on and effect improvements with their sons. Those sons are no longer on the farms. I wish to show how some of the misfits spoken of have come about. I do not know the number of houses sold off abandoned holdings on group settlements, but it would be interesting to ascertain. For ten or 12 years the settlers have been struggling on those farms, endeavouring to do their best. When numbers of them failed, and left the properties, a report on the situation was called for. That report stated that it would be better to sell the houses off the properties, because the properties were not capable of maintaining a farmer. The Bank officials themselves to-day would admit that the properties were never able to maintain a family, and yet they call the settlers wasteful and misfits! Unless the present attitude of the Commissioners is modified, it will be quite impossible for more than 10 per cent. of the settlers to continue operations next year, as merchants and South-Western storekeepers are in fear and trembling already that the settlers will leave their farms before they have paid for fertiliser and other supplies. One storekeeper in Manjimup has £4,000 outstanding, to be paid during the ensuing flush months under procurement orders signed by the settlers. The Bank are not taking any notice of those orders. If sufficient

revenue is not forthcoming from the farm to meet the demands of the Commissioners, the merchants and storekeepers will lose their money, and then there is not the ghost of a chance of storekeepers and fertiliser merchants making similar advances next year. Just as surely as the sun rises, if no fertiliser is put on the land the settlers will have to leave their holdings. Let us consider the cost of maintaining these holdings. It has been claimed that the settlers should be doing a certain area of extra clearing each year. It can be honestly maintained that to clear their properties of fallen timber each year costs the settlers £1 per acre. That is proved by the fact that the work of sustenance men at present engaged at Quininup is costing the Bank, or else the Lands Department, from £2 to £3 per acre that is, to bring back the land on abandoned farms from practically a state of nature. The settlers are not in a position to do any further clearing work. They have enough to do in as far as possible maintaining their assets. An interjection was made here yesterday to the effect that the anomalies in revaluation to which I have referred represented gifts to the settlers of £1,000 each. I rather like the way that is put. I believe I can prove that in writing down there are greater anomalies than in any other direction. Recently it was stated in the Press that actual gifts of £17,000—or was it £19,000?—had been written off two groups. If those people have had £19,000 written off their indebtedness, why should not the settlers on every group have £19,000 written off their indebtedness? There is an anomaly. Does the Minister consider that writing-off to be a gift of £19,000? Other groups, getting only £2,000 or £3,000 written off, have the right to complain of anomalies from that aspect. We must realise that revaluations have not been made on productive capacity. The results of the farm competition have shown that each cow requires 4.7 acres. The Co-ordination Committee approved a basis of 5 acres per cow unit, and have made a far better offer than that to the Commissioners. When there is talk of a 20-cow farm, do members realise that to carry 20 cows a farmer must of necessity have 24, because in any case a cow can be milked only for 10 months of the year, so that extra

cows are needed to make up the temporary deficiencies? Surely it must be well known that it is not possible to milk every cow every year, and that accidents are always bound to occur. With a 20-cow farm, there must be 24 cows. Since the cows are of poor quality, further breeding-up and grading-up must be done. We think it necessary for the settler to have at least five two-year-old heifers, five one-year-old heifers, and five calves, two horses and one bull, in addition to 24 cows, a total of 42 head on 90 to 100 acres.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. DOUST: A short time ago members must have noticed in the Press an intimation to the effect that to provide all the unemployed and those on sustenance work with full-time jobs, would cost the State an additional £900,000. I would point out to members that £900,000 would pay the whole of the interest in full on the total debts owing to the Agricultural Bank to-day. I refer not only to the debts owed by group settlers but also to those by wheat farmers, pastoralists and everyone else. There are not many members in this Chamber who, if they could by any possible means get hold of that £900,000, would not be glad to place those men on full-time work. I do not think there are any members who would wish to contradict me when I say that amongst the primary producers in this State at present there must be almost a similar number who are not receiving anything like the basic wage. There are men working in all kinds of primary production who, owing to low prices, bad seasons and one reason or another, are not enjoying the proceeds earned by the full-time worker. If it would be fair to provide £900,000 in order to place sustenance workers and other unemployed on full time, will you not agree with me, Mr. Speaker, that it would also be fair to find a similar amount in order to place the primary producers in a more profitable position? Would it not be possible to place quite a large number of our unemployed married men on group holdings that are to-day abandoned, and even to pay those men to go on the blocks? Perhaps we might not have to pay them as much as the basic wage at present, but, for the sake of argument, we could pay them at the rate of £2 a week and continue to make those payments until a certain time had elapsed, after which there could be a reduction of

10s. a week until the sustenance payments had been wiped out. It would be necessary to provide a certain number of stock, but I understand that already the Agricultural Bank Commissioners have several thousand head of milking cows available. I feel quite certain that instead of allowing these vacant locations to be abandoned as at present, it would be far better to pay a certain amount each year in order to place unemployed men on the blocks. If it would pay the State to make such a contribution in order that unemployed men might stop on the blocks and recondition them, would it not equally pay the State to keep the present settlers on them? I make this final appeal to members on both sides of the House. What we pay at present to an unemployed married man over a period of four years would actually purchase the abandoned blocks outright, and it would be far better to continue making the payments I suggest for a term of, say, seven years, in which time the blocks would be paid off and the men would be kept on the land. It is quite impossible to expect settlers to pay interest either now or for years to come. The country in the South-West cannot possibly be built up in one generation to be made self-supporting, and I earnestly appeal to the House and to the people of Western Australia to take this question into consideration with a view to determining whether it would not be better to give blocks to the settlers and thus enable them to work out their salvation without further cost to the State beyond what has been incurred previously. It will not require any further financial burden because the State already has to pay interest and sinking fund on all the loans raised for group settlement purposes within the last 14 and even within the last four years. The paltry £40,000 that the Government expect to get back by way of interest is not worth considering when set against the sum of human misery experienced by the settlers. We will always have unemployment unless we can always borrow and at a larger volume than at present. We shall certainly have to borrow more in the future than at present, particularly if we are to place men on full-time work. If what I have suggested were done in order to induce people to stay on holdings that are at present abandoned and thus recondition them, it would tend to reduce the necessity for further borrowing. It would increase production, which would be for the advancement of the State; it would increase exports

to pay for our external interest; it would fill our schools again and increase social amenities, especially amongst those who at present are remaining on the groups; it would represent a source of additional railway revenue; it would increase the avenues for the employment of youth on public works; it would reduce the cost of converting butter-fat into butter, and thus represent greater profit for those who remain on their farms; it would increase the revenue of local authorities; it would increase the solidity of the local towns in which many of these people live. If we could achieve these objectives, I think the public would regard it as something worth battling for, something worth while asking the public to do in order to help these unfortunate people. It would in many indirect ways represent a national asset to the State. Let us approach what has been, so far as these people are concerned, a national disaster in a broadminded, far-seeing, far-reaching and statesmanlike manner. Let us subvert our Shylockian environment which results in our demanding our pound of flesh, and recognise that the interest on £7,250,000 has to be paid by the people of the State generally. What is a paltry £43,000 in interest as against a satisfied agricultural community? Let us rise above this paltry system that places interests above human happiness and State prosperity. Let us use our combined wisdom and solidify it in an everlasting monument to the happiness of our primary producers and to the lasting benefit of the State we love so well.

MR. FOX (South Fremantle) [7.39]:

With other members, Mr. Speaker—

Hon. C. G. Latham: Just a minute, let us give you some welcoming applause.

Mr. Raphael: You won't want to do that after he has finished.

Hon. C. G. Latham: I am fair, if you are not.

Mr. FOX: With other members, I desire to extend my congratulations to you, Mr. Speaker, upon your re-election to the position you now occupy. I would also like to congratulate my colleague from Fremantle on his appointment to the Chairmanship of Committees. I compliment the member for Nelson (Mr. Doust) on the admirable speech he has just delivered. I have been wondering what were the feelings of the Leader of the Opposition while the hon. member was making his speech. No doubt he could see

the Treasury bench getting further and further away from him.

Member: He is a bit your way.

Mr. Marshall: He is getting common sense.

Mr. FOX: I would like also to congratulate the member for Northam on being elected to the Ministry. I recognise that he has the most difficult position in the Cabinet to fill. He will naturally have to bear the responsibility of any mistakes he may make—and it is a poor man who does not make a mistake; in fact, it has been said that the man who does not make a mistake never did anything—but on his shoulders also will be placed the responsibility for every act of administration which, unless unemployment is reduced to a minimum, should be borne by Parliament as a whole. But if we look back over the speeches delivered by the members of the Opposition during the last Parliamentary elections, we should have no misgivings at all about passing expeditiously through this Chamber at least any measure that is calculated to mitigate the position of those on relief works who have to depend on sustenance for their existence. Again, on looking back over the time when the Opposition occupied the Treasury benches one is justified in being a little sceptical of the sincerity of some of the statements made by the members on the Opposition side of the House. Of course we have to admit—and perhaps I am in a fair position to judge seeing that I live in an industrial community where the majority of men are casual workers—that prior to the so-called depression quite a number of those who had to rely on casual work for a living would not be earning any more than at the present time. I have made up the income tax returns, or helped to make them up, of a number of casual workers over the last nine or ten years and I am justified in saying that the position of some of these men is perhaps no worse than in pre-depression times. If we take the position of the workers at the present time and compare it with what it was four years ago, there is no comparison at all. They are infinitely better off. Still, although the position of the general run of workers is better to-day than it was three or four years ago, there is ample room for improvement. While the earnings of any worker are below the basic wage, there is no possibility of that person giving his family a decent standard of living. The relief workers or those earning

less than the basic wage have no chance of having anything more than the bare necessities of life. Indeed, except with the assistance of some charitable organisations, they would not perhaps be able to get some of the necessities. At the present time in every district there is at least one charity organisation and the Lotteries Commission has been responsible for providing the money that has enabled those organisations to supply indigent people with blankets and other bedclothing and necessities. But while we appreciate the good work being done by those organisations, and the amount of money being distributed by the Lotteries Commission to charity, in a place like Australia where we are capable of producing everything it is possible to produce, and that is necessary to make people happy, we should be ashamed of the necessity for so much charity. While the capitalistic system remains, there will always be unemployment and its accompaniment, poverty. There is no chance of getting away from it. Our opponents over the years have blamed the Labour Party legislation for a great deal of the unemployment that exists, particularly youth unemployment. They point to the restrictions placed on the employment of youth by debarring too many apprentices from going into industry. If it remained open to the employer, however, to employ as many apprentices as he desired, it would be only exploiting the youth, with consequent disaster to men on full-time work and receiving the full wage provided by the court. But although we are accused of restricting the avenues for youth employment, the absence of those restrictions has not solved the question of youth employment in other countries. The Government of America solved the question of youth employment in much the same way as it was solved by the Mitchell Government when in power in Western Australia. They herded them into camps to keep them quiet.

Hon. C. G. Latham: Your Premier said there were no young men out of employment.

Mr. FOX: I say there are young men unable to get jobs. While we are living under the present system there will always be unemployment. As the inventive genius of man brings forward other labour-saving devices, that will increase unemployment progressively. While I am on the subject let me refer to the fact that a little

while ago it was stated that bulk handling facilities were to be erected in the Geraldton district. It is going to be harder on the waterfront workers in Geraldton district than it was in Fremantle, and it has played havoc with the workers in Fremantle.

Hon. C. G. Latham. Why did your Government introduce imported cement for them?

Mr. FOX: Because the local manufacturers could not maintain a supply.

Mr. SPEAKER: Order! The hon. member will address the Chair.

Mr. FOX: I do not wish to be drawn off my argument. Bad as the introduction of bulk handling has been at Fremantle it will be worse at Geraldton because in Geraldton they load wheat at the rate of from 20 to 25 tons an hour compared with Fremantle, where prior to the introduction of bulk handling the rate was 35 tons an hour. In Fremantle the wheat was loaded over gantries and in Geraldton by ship's gear. Consequently when the loading speed is raised from 25 tons an hour in Geraldton to 100 tons under bulk handling, the amount of employment on the Geraldton wharf will be practically nil. When the Bill was going through Parliament I warned the members for Geraldton and Bunbury what would happen when bulk handling facilities were erected on the various wharves.

Mr. Thorn: They did not take you seriously.

Mr. FOX: No; and I guarantee the farmers are not one scrap better off now that they have bulk handling.

Mr. Thorn: I would not take your guarantee.

Mr. FOX: At the Royal Commission, I was asked by Mr. Donovan who benefited from the saving at Fremantle. He said that he had not been able to discover it. I did not know; I knew only of the wages lost to the Fremantle lumpers. No one seems to know where the saving went. The member for North-East Fremantle (Mr. Tonkin) made out a very strong case for an alteration of the present economic system. It is time we realised that the existing state of affairs in the world is due to the absolute failure of the capitalistic system, and that private enterprise is not capable of making this world a decent place for every person to live in. Let me quote from the Director-General of the International Labour Office at Geneva. It will

be seen that the opinions of that gentleman coincide almost exactly with the views expressed by the member for North-East Fremantle.

Mr. Thorn: Perhaps that is where he got his information.

Mr. FOX: I should like some member of the Opposition to tell the member for North-East Fremantle where he was wrong, and show a way out of the rotten conditions under which many people are living.

Hon. C. G. Latham: Your Government have not done it.

Mr. Raphael: If the Opposition had been returned to power, they would have done it by a reduction of the workers' wages, but they were not returned to power.

Mr. SPEAKER: Order!

Mr. Marshall interjected.

Mr. SPEAKER: Order!

Mr. FOX: I cannot help the interjections.

Mr. SPEAKER: The hon. member will proceed.

Mr. FOX: The report states—

The Director-General of the International Labour Office, in reviewing the position, sees little or no hope for a world dependent on private enterprise in industry. He puts the case in the following statement:—"The demand for Government action has been reinforced by the patent fact that the present scarcity is due, not to any failure of Nature, but to a human failure to make the products of Nature available to those who need them. The argument that where plenty exists its proper distribution to the best general advantage can and should be effected by human foresight and organisation is really irresistible. It therefore now seems reasonable to expect Governments to devote the same ingenuity and attention to the provision of the elementary needs of food, clothing and shelter on a civilised scale as to the provision of air communication, wireless services and elaborate systems of national defence."

All thinking men will agree with that statement. If we had a proper system operating in Australia to-day, I consider that the first duty of the Government would be to feed, clothe and house the people, and then make them do something in return for that assistance. I know that proposal will not be very agreeable to members on the opposite side of the House. Every member of the Opposition who speaks points out that the position of the wheat farmers and other primary producers is just as bad as that of the men on relief work. If that is so, I cannot understand why they are sitting on that side of the House.

Hon. C. G. Latham: You do not represent Labour.

Mr. Thorn: You are the most capitalistic Government that ever sat.

Mr. FOX: Let me remind the hon. member of the statement by the member for Avon (Mr. Boyle) that the Labour Government had done more for the farmers than their own party had ever done.

Mr. Thorn: That was years ago.

The Minister for Mines interjected.

Hon. C. G. Latham: You do not represent Labour.

Mr. FOX: The Leader of the Opposition said—

Mr. SPEAKER: Order! The hon. member need not take notice of interjections.

Mr. FOX: I was going to remark on the interjection by the Leader of the Opposition that we do not represent Labour.

Hon. C. G. Latham: Of course you do not.

Mr. FOX: I have never heard a Labour man say—and I do not think he would last long if he did say it—that the Federal basic wage should be applied to people working under State awards, which would mean a reduction of about 11s.

Mr. Thorn: It has never been said.

Hon. C. G. Latham: You keep them below the basic wage.

Mr. FOX: Let me remind the Leader of the Opposition of another observation he made. He said that he hoped the Government would not make relief work too attractive, as the farmers would not be able to get all the labour they required.

Hon. C. G. Latham: I do not think they should make relief work too attractive. They should employ the men on full time.

Mr. FOX: I quite realise that it might be difficult for the State Government to do all that they desire in order to mitigate the bad conditions under which many people are suffering, particularly those who are receiving less than the basic wage. If there is any sincerity on the part of members opposite, there is no reason why such conditions should not be altered. I know that it would be difficult to effect an alteration of those conditions in this House, but if members opposite have any influence with the people they represent, they could move members in another place to bring about the desired reform.

Hon. C. G. Latham: That bogey has been exploded long ago.

Mr. FOX: That is not a bogey; it is a bit of commonsense. If the hon. member is bursting with a desire to do something for the farmers who, we are told, are as badly off as are men on the basic wage, and for the relief workers who cannot get a decent standard of living, those conditions can be altered by adopting my suggestion.

Hon. C. G. Latham: Tell me any legislation introduced by your party that has been thrown out.

Mr. FOX: I will leave that to members who have been here longer than I.

Several members interjected.

Mr. SPEAKER: Interjections are disorderly at any time. This continual cross-interjecting must cease.

Mr. FOX: I thought I might have received a little latitude owing to the short period I have occupied a seat in this House—I mean from members of the Opposition. A deputation recently waited on the Minister for Employment with a suggestion that men engaged on the harbour works at Fremantle should be placed on full time. The Minister, in reply, said that it would take approximately £900,000 to put back on full time the whole of the men who were now on relief work. I do not know whether the Minister took into consideration what an impetus the expenditure of half that sum would give to employment in Western Australia. I am sure that if half the sum or less than half had been raised, the impetus afforded by those workers who would have been employed, and the resultant spending capacity in industry would have been sufficient to provide employment for the rest of the workers who were on part-time, and employment for some of the youths who are not able to get work to-day. During the last elections the member for Nedlands (Hon. N. Keenan) suggested that there should be a re-alignment of taxation. I heard him speaking over the air. He was talking about the financial emergency tax. I suppose he meant that the emergency tax as it operated when the Opposition were in power, should be re-enacted. Under that legislation those single persons were receiving £1 per week, were taxed, and married men in receipt of £2 a week were taxed. When the Labour Government came into office people with dependants were exempted up to the basic wage.

Mr. Hughes: They did not exempt the basic wage.

Mr. FOX: They exempted people with dependants up to £3 10s. a week, and that was later on raised to £3 12s. a week. I have no doubt that when the opportunity occurs a further exemption will be granted to these people. Because they have received a slight increase recently they now have to pay emergency tax, and are only 2d. a week better off as a result of the basic wage increase.

Hon. C. G. Latham: Some are worse off.

Mr. FOX: I trust the Government will look into this so that the workers who have received an increase in the basic wage will get the benefit of the full increase. Many workers are looking forward anxiously to the abolition of this emergency legislation. I have heard people say that it should be discontinued. I can understand where men have a permanent job—that is, if any kind of a job can be called permanent nowadays, because the axe is hanging over people all the time and may fall at any time—they would like to see the financial emergency tax lifted. I have no doubt if they knew that all the money collected from that source was going to be expended in the relief of the unemployed they would not object to an increase. I trust the Government will bring down some legislation to increase the tax so that special provision may be made for the unemployed, men on relief work, and others who have to depend on sustenance for their existence. It is unfair that so many should have to exist on incomes far below the basic wage, whilst others are more than adequately provided for. If the legislation is brought down I should like to see an exemption of £4 a week.

Mr. Hughes: When would you stop?

Mr. FOX: I would not stop whilst there was anyone in the State receiving less than the basic wage.

Mr. Hughes: At what rate in the pound would you stop?

Mr. FOX: That would be a matter for actuarial calculation.

Mr. Hughes: Would you go as high as 10s.?

Mr. FOX: I would go as high as is necessary to relieve those who have to exist on incomes below the basic wage. I have lived in an industrial community all my life, and for the last 17 years have lived in a centre where there is more casual work than in any other electorate in the State, namely, the Fremantle district. The Government should bring down legislation to ameliorate

the conditions under which so many of our people are suffering. We heard a lot the other night from the member for Subiaco (Mrs. Cardell-Oliver) concerning milk for school children. If we are able to solve the unemployment position the milk problem will solve itself. We read that quite a lot is being done by a committee that is operating in the metropolitan area.

Mr. Raphael: It is good publicity.

Mr. FOX: I congratulate that committee on the work it is doing. In South Fremantle we have a committee that has been working for 12 or 18 months with the idea of supplying all the children attending the Beaconsfield school with milk every day. When a census was taken in September, 1935, it was found that less than 20 per cent. of the children at the school were receiving milk. A committee was appointed, and by means of entertainments and a contribution of 6d. a week from children who were able to pay—quite a lot of parents were not in a position to pay 6d., especially where there were two or three children in one family—and other voluntary contributions, a fund was created to provide milk for all the children attending the school. The money was paid into a common fund so that no child would know who was not paying. That prevented the development of an inferiority complex. Even the children have their pride and do not like to accept things when they know that other children are paying for them. At present in a school with 239 children every child is being supplied with milk. This is the only school in the metropolitan area where 100 per cent. of the children received milk during the past twelve months. It is the intention of the committee to extend the scheme to the children of the senior school. Not long ago with other members of the committee I waited on the Lotteries Commission to ask for a grant to supplement the fund that I have referred to. We were told that the Commission would have to make inquiries as to how much it would take to supply all the schools of the metropolitan area with milk. That was six or seven months ago, and we have not yet received a reply. The delay may be due to the fact that the Chairman has passed away. If the Government are not in a position to supply milk to the school children it should be within the province of the Lotteries Commission to

make a substantial contribution to those districts which have made an attempt to help themselves. Perhaps other districts are not in the same position as ours, and would not require much assistance. We will not despair of getting something from the Government, or a donation from the Lotteries Commission in the near future. I cannot speak too highly of the work that is being done by school teachers in my electorate that is not strictly in the terms of their employment. In addition to inaugurating this milk scheme, they have also inaugurated a dental clinic. When I tell members the number of children who have been provided for in the last year, they will realise the necessity for establishing such clinics in other centres. This dental clinic was established by the schoolteachers, with the help of some local governing bodies in the Fremantle area, and with the assistance of donations from the Lotteries Commission. Dentists in the Fremantle district attended a meeting of the committee and gave helpful advice. The clinic has been operating since June. Originally it was intended to treat children up to nine years of age attending schools between Buckland Hill and Rockingham. Now children up to 15 years of age are being treated. I have here a return supplied by the secretary of the Dental Hospital as to the operations of the clinic commencing on the 9th March, 1936. For the 22 weeks ended on the 8th August, 508 children have been treated for 968 fillings and 1,771 extractions. If that amount of treatment is necessary in a small district like Fremantle, it can readily be understood how much treatment is needed for the children attending the whole of the schools in Western Australia. In Queensland things are done much better. The Queensland Government, I should say, do a great deal better. The population is about double that of Western Australia. Yet the Queensland Government employ 14 dentists. The State is divided into 14 districts, and each dentist is appointed for a period of three years.

Member: And Queensland has a deficit of a million!

Mr. FOX: What does it matter whether there is a deficit or not so long as the people of the State are receiving proper attention? In Queensland a dentist re-

mains in a district for three years unless transferred by order of the medical inspector. Greater attention is paid there to the general health of the children. There are two part-time medical officers and 11 nurses. Each nurse is allotted a group of schools. The nurses go around and examine every child in each school, and furnish lists of names of children to be examined by the medical officer on his next visit. This practice could be introduced into Western Australia with great advantage. We have heard a good deal about State ships during the progress of this debate. I am not particular whether the Government set aside a sum of money for a State ship without consulting Parliament. I am pleased to know that the Government have decided to have a new ship built. In view of the amount of employment provided for Western Australia by the State ships, and in view of the fact that every State ship put on the coast is the means of displacing a ship run by black labour, I welcome the time when every ship on the Western Australian coast, and indeed on the entire Australian coast, will be manned by a white crew receiving white men's rates of pay and conditions. At present we have three State ships—the "Koolinda," the "Kangaroo," and the "Kybra." The "Koolinda" has a crew of 80, officers and men; the "Kangaroo" a crew of 62. The "Kybra," the smallest of the three ships, usually runs on the south-west coast, but occasionally takes a trip to the North-West. Her crew numbers 30. The wages and salaries paid to those crews amount to about £50,000 a year. In addition, there is an office staff of 15. I think I am justified in saying that the wages and salaries drawn by the officers, crews, and staffs support a population of between 600 and 700 persons. In addition to the distribution of £50,000 in wages and salaries, there is a great deal of repair work done at Fremantle while the ships are in port. It is unfortunate that the whole of the repairs in connection with the State ships cannot be effected at Fremantle. At present Fremantle has not a dock capable of taking either the "Koolinda" or the "Kangaroo." In fact, Fremantle has no docking accommodation except a small slip on the other side of the river, perhaps capable of taking one of the dredges. If a dock were established, there would be much more money spent at Fremantle in connection with repairs to the

ships. Then the work could be done here instead of at Singapore, or, in the case of the "Kybra," at Adelaide.

Hon. C. G. Latham: Now tell us about the losses the State ships make.

Mr. FOX: I remember that the "Kangaroo" paid for herself in a very short time after having been purchased. The money earned by the ship, however, was taken into general revenue, while the interest bill was kept up. With a fair system of bookkeeping, there would have been no interest payable in respect of the "Kangaroo" years ago.

Hon. C. G. Latham: Where did she make her money?

Mr. FOX: In addition to the expenditure on repairs, a great deal of work is done in the way of overhauling machinery and painting the ships. In connection with the overhaul work I may mention that I recently had a look over the store-room of the State Shipping Service. It would do anyone good to visit that store-room and see the wonderful work turned out by the Midland Junction Workshops—large propellers, water jackets, cylinders, and every conceivable type of machinery. I know some of the engineers on the State ships very well. Those men are in a position to judge of the workmanship turned out by the Midland Junction Workshops, and they have told me that work compares more than favourably with any work of its kind turned out overseas. When the new ship is being constructed in England, I hope the Government will give consideration to the question of sending two or three men overseas so that the work may receive the necessary supervision. We know that quite a lot of the work will be done under contract, and we also know that where supervision is not strict the best class of work is not put into the ship. I am speaking after having had conversations with men who went to England to represent private shipping firms, and men who had worked in the very shops where the ships were being constructed. One of these men, who was supervising, called the attention of a manager to some work being done. The manager said, "You did that when you were here; why can't we do it now?" The man replied, "You are not going to do it now." I know that when private shipping companies are having ships built they send Home three or four men to supervise. Some of these companies—I do not want to name them—are tight and hard. I know that, because I have worked among them for the

past 15 or 16 years, and know how difficult it is to get money out of them. If such companies are prepared to incur the expense of sending Home three or four men to supervise the construction of a ship, the State Government should not hesitate to do likewise.

Hon. C. G. Latham: All right! I want to be one of those men.

Mr. Marshall: You would be all right in connection with Noah's Ark!

Hon. C. G. Latham: Give me two thousand a year and I'll go!

Mr. FOX: Another matter I wish to bring under the notice of the House refers to pensions. Recently I came across two or three cases of men retired just shortly before the 1st January, 1936, when the emergency cuts were restored. One man I have in mind was in receipt of £286 per annum prior to the cuts. When he was retired towards the end of last year, his pay was £249 6s. 7d. The Government, or their officers, contend that the man's pension should be assessed on the rate of pay he was receiving when his employment with the Government terminated. That view may be all right in most cases; but where an emergency cut was imposed for a particular purpose, and was lifted almost immediately after the man was retired, it would be only fair to calculate his pension on the amount of pay he received for the greater part of the time he was in the Government service. It is unfair that he should be deprived of the benefit of the pension during the remaining years of his life. I hope the Government will give some attention to that matter and restore the pension that I consider has been unfairly taken from this man. I will once more refer to the condition of the Fremantle bridge. I thought we would have it attended to the other day, but certain things happened. We had the spikes, but they slipped away from us after all. Fremantle members know what I refer to.

Hon. C. G. Latham: As soon as the election was over, it slipped altogether.

Mr. FOX: The Government may experience some difficulty in finding work in the metropolitan area to absorb a large number of men, particularly now that the sewerage operations are so far advanced and building operations have been completed. The reconstruction of the Fremantle bridge

would provide work for a fairly large number of men for two or three years and would ensure quite a lot of employment in other avenues, particularly if it were constructed of local material. We have heard comment about the expenditure of £84,000 on the provision of trolley buses. Personally I would prefer that amount to be spent on the Fremantle bridge. The present structure is a disgrace to Western Australia. Buses have to crawl over the bridge at a snail's pace, for it would be absolutely unsafe for them to traverse it speedily. The Lord alone knows when one of them will fall through. Men who are in a position to judge say that the bridge is positively unsafe. A diver who went below and examined the piles informed the member for Fremantle (Mr. Sleeman) and myself that the piles are distinctly unsafe. A visitor who passed through Fremantle recently, expressed the opinion that the Fremantle bridge is the only blot on the landscape between London and Perth. That is a very strong condemnation. I hope the Government will give earnest consideration to the replacement of the existing dilapidated structure with a new and up-to-date bridge. As a matter of fact, we do not care whether the new bridge is or is not an up-to-date structure. If it were built of local material it would cost about £75,000 and it would be suitable for 30 years. We would be content with such a structure and would allow the people who may be here 30 years hence to think about a more modern bridge. Robb's jetty, too, is in a very dilapidated condition. All the cattle from the North-West are unloaded there and the Government should spend some money on the jetty to make it fairly safe for those operations. Those two works are urgently needed in the Fremantle district, and I hope the Government will attend to them before long. The member for Fremantle will have something to say on these matters, because he is more au fait with the files than I am.

Mr. North: If you could secure the expenditure of £84,000, would you be content to let the buses run too?

Mr. FOX: If we can secure the allocation of £84,000 or so for these works, we would not be particular about the buses.

Hon. C. G. Latham: We will give you a chance to deal with that question.

Mr. FOX: The member for Kalgoorlie (Mr. Styants) stressed the necessity for the provision of workers' homes on the gold-fields owing to the exorbitant rents at present charged. I agree that rents charged in various parts of the State are altogether too high.

Mr. Cross: And rents have been put up, too.

Mr. FOX: I would like the Workers' Homes Board to provide homes for people in receipt of salaries or wages approximating the basic wage, at a cost that would give those individuals some reasonable hope of paying off. If that were done, those people would feel secure in their homes instead of having to continue, as they do now, to move on so many times. I believe suitable homes could be built at a cost that would enable them to be paid for at the rate of 11s. or 12s. a week. Homes have been erected in Fremantle for £300, and they would fill the bill very well. We have been told that there is a shortage of architects, but that difficulty could be overcome if a standard type of house were constructed. I certainly think some consideration should be given to the question of building cheap homes in the metropolitan area. One difficulty experienced, particularly with some of the smaller schools in the outer parts of my electorate, relates to the provision of water supplies. At the centres I have in mind there is no chance of securing water supplies apart from what can be caught from the roofs. The ground is very sandy and the children naturally become very dirty. There is no hope of making gardens or growing lawns. In places where it is possible to secure water supplies at shallow depths, the Government should put down a bore or sink a well with a pump attached so that the scholars might cultivate gardens and thus create a spirit of civic pride. I hope the Minister for Education will give some consideration to that question. I know there are between 800 and 900 schools in Western Australia and it is a big problem. Nevertheless, where water can be obtained near the surface, I think consideration should be given to schools in such areas. I wish to refer to one anomaly that has arisen under the provisions of the Financial Emergency Act. My attention has been drawn to the fact that the man who is in a permanent job and earns a weekly wage of £4 9s., has to pay £3 5s. under the heading of financial emergency tax. The casual worker who may

average £4 9s. a week throughout the year is treated differently. That man may not earn anything one week; some weeks he may receive £4 9s. and at other times he may earn £8 a week. His earnings may average £4 9s. throughout the whole year and on that basis he has to pay £3 17s. as financial emergency taxation. In addition to that, the Government have collected an additional tax of 18s. on his income, making his total taxation payment £4 5s. I consider the proper way to allocate that man's taxation would be to divide the annual rate by 52 and then charge the amount of tax applicable to the weekly rate.

Hon. P. D. Ferguson: I think you can secure an adjustment in such instances.

Mr. FOX: No. We made inquiries and the Commissioner of Taxation told us that the proper rate was 4d. a week on the annual amount he received. That operates unfairly against the man in receipt of casual employment. I do not know how the difficulty can be overcome, but the Government should give consideration to that feature. In Western Australia it will be agreed that we have a fairly satisfactory Workers' Compensation Act, although in some respects it is not as acceptable as the English Act, which contains a provision that enables a man to draw weekly payments throughout his lifetime if he is totally incapacitated, whereas the Western Australian Act makes £750 the maximum payment. I would like an amendment made to Paragraph 16 of the First Schedule in the direction of stating definitely how the amount payable under the First Schedule should be computed. Should a worker sustain injuries from an accident that brings him under the First Schedule, and he is totally incapacitated, he will receive weekly payments up to the time his condition becomes static. When it is found that he is partially permanently incapacitated, a lump sum compensation payment is assessed. To my mind the proper method to be adopted in such a case would be to subtract the amount the man has received by way of weekly payments from the total of £750, and then ascertain the present value of the amount remaining at, say, 4 per cent., and pay the man the balance. But at the present time that is not done. We had a case before the High Court, and quite a number of things were introduced that perhaps we might have been able to set aside had we been prepared to go to

the High Court. But that costs money, and the ordinary person has no possibility of financing an appeal to the High Court. Some very strong unions have been able to do so, but in the majority of cases the unions are not able to do it. This case I am talking about brought home to me the necessity for putting an amendment in the Act, where there could be no departure from it. I hope the Minister will give some consideration to that. Now one other matter: I have recently found that an agreement has been arrived at between the State Shipping Service and the seamen in regard to the payment of workers compensation while a seaman is beyond territorial waters. I had a case where a seaman lost his finger, and although he was able to get weekly payments, the insurance company refused to pay a lump sum settlement because the accident had not happened in Western Australian waters. I do not know whether the man would have been successful had he gone to law about it, but unfortunately he left the State before that could be decided. Perhaps he would have been successful, because he was still under the jurisdiction of a servant of the State Shipping Service. However, an agreement has been come to between the State Shipping Service and the seamen, and I hope if anything is to be done to the Workers' Compensation Act this session, that amendment will be incorporated in the Act.

MR. HUGHES (East Perth) [8.33]: May I, too, Sir, add my congratulations to you on your being elevated to the honourable position of Speaker of this Assembly. I am sorry that your first step in the new office, new, that is to say, this session, should have been a slip. But I would not be downhearted about that, because Julius Caesar, we know, when he slipped off the boat considered it a good omen. It is customary to congratulate various people, and I think I will dispose of it by saying I wish to extend to everybody congratulations to the fullest extent they deserve.

Mr. Lambert: Speak for yourself.

Mr. HUGHES: I might say that I am glad to be back here. I can assure members that nobody knows how good it is to be here, except those who have been in and out. I am sorry the member for Boulder (Hon. P. Collier) had to re-

tire from public life, but I am not going to be hypocrite enough to say I do not think his time was long overdue. I am sorry, also, that the new Premier (Hon. J. C. Willecock) is ill and not here to-night to hear what I have to say. I do not agree with the speaker who deplores recriminations. It all depends upon what is meant by "recriminations." If certain people can perform corrupt acts and then, when criticised, hide themselves behind the word "recrimination," we never would have any decent government at all. I am not particular whether people think I am indulging in recriminations in criticising administrative acts and policy of the past. I suppose nobody is more entitled to criticise than I am. One in the heat of political debate and controversy sometimes says things he wishes he had not said; sometimes we use strong language, but in the public life of this State there always has been a line beyond which a man will not go. And in this House there has been a line beyond which members, who are protected from the consequences of their acts, will not go. No matter how gross, no matter how vile, no matter how untruthful a member of this House may be, there is no redress against him anywhere. He can say what he likes, and all he has to do is to go into court and plead privilege. There has been in the public life of this State a certain code of honour beyond which, no matter how keen the debate, members of this House have not indulged in personalities. But the new Premier, I think, set a standard that never has been equalled in the British Empire for use or abuse of Parliamentary privilege when he referred to me in this House—when I was not here to defend myself, when I was on the public platform and had paid for a public hall in order that his Leader might come and answer me—the present Premier referred to me in this House as a bludger. On the 5th September, 1934, as will be found on page 441 of "Hansard" of that session, in discussing me, the Minister for Justice, the present Premier, referred to me as the biggest bludger in the country. When this was brought under my notice, I thought there must be some mistake, and I thought that the honourable Minister for Justice, having said that, would take the first opportunity to withdraw his statement. But this is now August of 1936, and although I have seen the honourable gentleman on several occasions, he never has withdrawn that

statement. So I take it he stands by it. I do not mind whether he stands by it or not, because I do not think his opinion is worth having. His good opinion may be valuable to a gentleman like Crossthwaite, who wants to buy justice, but it is of no value to me who wants to buy nothing. But now we find this, which is probably the most unscrupulous thing in the records of this Parliament: Here is the bound volume of "Hansard," published for the records in the Parliamentary Library, and we find that the word "bludger" has been altered to "bluffer." Would it not have been more honourable for the man who to-day is the first citizen of this State, more honourable for him to have stood up in his place and withdrawn that epithet when he was ashamed of it, rather than sneak behind and have the official records of the House falsified? And this is the man who to-day is the Leader of the country. I offer no apologies, and anything I can do to expose the gentleman to the public of Western Australia—and he is a gentleman particularly vulnerable to exposure—will be done. This gentleman is the man who, as Minister for Justice, stopped Crossthwaite's trial because he was a wealthy squatter. This is the man who puts justice on the auction block for sale, the man who perpetrated the Yellowdine mining frauds, one of the worst instances of fraudulent practice in the mining history of this State. This man has the cheek to refer to somebody in terms of that nature. I think when I have shown one or two of his transactions, the House will agree with me that his good word is of no value to anyone. But what a terrible thing for the State of Western Australia to have that man as leader of this House, and the leading citizen of the country! I am sorry for one thing only, that I have to make this statement in his absence, but after all, one cannot chase around all over the country. I have many times endeavoured to meet these gentlemen face to face on the public platform, and I do not propose to make any statement under cover of this House that I have not already made on the public platform, where I have to answer both criminally and civilly for what I say. In one way I am glad of the kaleidoscopic changes that have taken place in the Ministry during the short time I have been in the House, because I hope it puts an end to one of the most corrupt Governments we have ever had in the State of Western Australia—the most hostile to the working

man we have ever had in Western Australia. I have been in public life in this State for 25 years, and never has there been a Government so brutally callous and cowardly towards the bottom dog of the working class. That has been made possible through an alliance made between the ex-Premier and his colleagues and the "West Australian" newspaper. The reason why the public life of this State has deteriorated is because the Government have been the puppets of the "West Australian" newspaper, and all criticism of the Government is severely stifled in this leading capitalistic newspaper.

Mr. Raphael: You are not suggesting that about all the members, are you?

Mr. HUGHES: I am speaking about the Government. I have no objection to the hon. member interjecting during my maiden speech.

Mr. Raphael interjected.

Mr. SPEAKER: Order! The hon. member for Victoria Park will keep order.

Mr. HUGHES: Having been in public life previously, I have had to cope with the mentality of gentlemen like the interjector, and for my own peace of mind, I have had to develop a philosophy. I think I have worked out a very sound philosophy. It gives me peace of mind, and allows me to live at peace with all the world. I commend it to the consideration of members. It is this. I divide the world into two classes—the wise men who agree with me, and the paranoics who don't.

Mr. Raphael: I don't know where I stand.

Mr. HUGHES: The hon. member does not know where he stands, but I can assure him that we all do. This alliance between the so-called Labour Government and the capitalistic newspaper is one of the strange phenomena of the public life of the State. Of course it is a good thing for a Labour Government to have the support of the leading capitalist newspaper, but it has been bought at a price, and the price is too high. The price of the support of the "West Australian" newspaper was the abandonment by the Government of all the principles for which they ever stood. The shifting of the incidence of taxation from the shoulders of those of the upper middle-class and the higher class on to the backs of the workers and the lower middle class is the price paid for the support of the "West Australian" newspaper. I am not afraid of offending

that paper; I did that ten years ago. The newspaper was quite delighted at your ruling my amendment out of order, Mr. Speaker. Technically speaking, of course, your ruling was within the four corners of the Standing Orders.

Mr. SPEAKER: The hon. member must realise that he is not allowed to discuss that now.

Mr. HUGHES: Quite so; I am discussing the report of the "West Australian." That paper quite gloated over the fact that nobody stood up and cheered when I referred to Sir James Mitchell having the best job in the State. As a matter of fact, we were told at the elections in 1933 that Sir James Mitchell was everything that was bad, that the workers should put him out. The workers did put him out with the aid of the present Minister for Employment, and lo and behold this enemy of the workers received the best job in the State at £2,000 per annum.

Mr. SPEAKER: I think the hon. member had better resume his seat while I read another Standing Order.

Mr. Raphael interjected.

Mr. SPEAKER: The hon. member for Victoria Park will not be here to listen further to the debate if he does not behave himself. I should like to draw attention to Standing Order No. 128, which reads—

No member shall use the name of His Majesty or the Governor irreverently in debate or for the purpose of influencing the House in its deliberations.

I do not propose to allow the hon. member to continue to use the name of His Excellency the Lieut.-Governor irreverently in this debate.

Mr. HUGHES: Of course I submit to your ruling. But there is another gentleman who has received the blessing of the Government who is not covered by the Standing Orders, a gentleman who, we were told, was an arch-enemy of the workers, a gentleman who proved himself an arch-enemy, who went down to the Fremantle wharf with armed forces and fired on the workers, with the result that a worker was killed. There is in Fremantle to-day a monument to that man. We used to refer to this gentleman, and the members opposite used to refer to him as "Bloody Colbatch," but to-day this gentleman who fired on the workers is the anointed

of the Government; he is the Government's mouthpiece in London. Apparently the more hostile one is to the workers the more the Government will do for them. They are the most hostile Government the working classes have ever had in this State. I hope the retirement of the member for Boulder from the Premiership in such unfortunate circumstances will be the beginning of the liberation of the people, who profess to represent the workers, from the domination and dictation of the capitalist newspaper the "West Australian." One of the most unfortunate developments of this unholy alliance is the establishment of Fascism in Western Australia. To-day we have a system whereby there is no free speech and no freedom of thought. If the working man dares to exercise freedom of thought or freedom of speech, he is ruthlessly suppressed. He is suppressed with a weapon that is much more despicable and more cowardly than the bullets of the European dictators. The Government suppress freedom of speech and freedom of thought in the working man by depriving his wife and children of food. It is the most despicable and cowardly weapon that could possibly be used. It is a weapon that comes from the dark ages of Spain. We are told that if they wanted to strike terror into the heart of a man they told him that when he was dead his wife and children would be deprived of their inheritance, and for four centuries civilisation looked aglance at such things. They printed in the pages of history with the utmost reprobation and disgust the names of the people who stood for that cowardly doctrine. We now have it revealed in Western Australia. If a man has the misfortune to be on the bottom rung of the working class, and to be dependent for relief upon Government work, and if he does anything to offend the Fascist clique, they strike at him by depriving his wife and children of food. I could quote many instances, but will quote only two or three. Some 2,000 sustenance workers were forced into the Sewerage Workers' Union, where they get their unionism at 16s. a year. They wanted to escape the impost of 25s. for the A.W.U. Seven men were dominating the union and depriving others of their rights as unionists. Because some of the unionists had the temerity to take the only course possible to maintain their rights as members of the union, and applied to the Arbitration Court for an interpretation of their rules and

lodged an application in the court, the unemployment department stepped in and transferred the men to Meekatharra. This was done because they had the temerity to stand up for their rights and the rights of their fellow workers, and the Government used their position to penalise them by sending them away. The policy of the Government of preference to unionists is only a pretence. That policy does not exist. In the name of that policy, however, men who were trying to keep a wife and children on 52s. a week were bludgeoned into paying out money to meet the electioneering expenses of our friends who are receiving £12 a week, and further to bludgeon money out of these unfortunate people their wives and children were deprived of food. The Government does not stand for preference to unionists, and will not put out of employment men who are on full time and will not join the union. I believe in industrial unionism and have been an industrial unionist since I was 13 years of age. I hate to see industrial unionism destroyed and its functions distorted on the altar of political hypocrisy. The domination of industrial unionism for political purposes has altogether destroyed its efficiency. It no longer stands for the protection of the industrial workers, who have been honeycombed by a system whereby they have been made subservient to the political exigencies of the times. When the Government put forth their famous ukase that every man, before he could get relief work, had to pay 25s. to the A.W.U., they were not concerned about unionism. No union principles were involved. These men were working on half the basic wage, and many of them were earning below the basic wage. It was a miserable pretence on the part of the executive of the State. It meant the deprival of these unfortunate people of a few pounds in order to put money into the pockets of their friends to save them from having to pay their own electioneering expenses. At that stage a married man with a wife and two children was allowed to earn the magnificent sum of 48s. a week. Under the pretence of unionism, unless they contributed 25s. to the A.W.U., they were not allowed to earn even that. When they did contribute to that organisation they were not even given the rights of membership. We hear a lot about the capitalistic system. Thousands of sustenance workers are compelled to contribute 25s. a year to the A.W.U. In

the last few months the general secretaryship of that organisation became vacant. Three or four individuals decided to appoint Mr. Johnson to the job. Those who have to pay Mr. Johnson's salary had no opportunity to say whether they liked him or not. I am not referring to the Mr. Johnson who is earmarked for transportation. In 1933 the A.W.U., which our friends, who are so concerned about the capitalistic system, might refer to as a democratic institution, had a salary bill of £100 a week, and for the year ended 31st May, 1933, it had a deficit of £3,184. There were all sorts of incidental expenses besides the salary bill. There was the contribution of £1,050 to the "Westralian Worker" which, by the way, does not belong to the workers. The shareholders of that newspaper were defrauded of a controlling ownership by an organisation of five men, known as the Labour Efforts Association, of which the present Premier is the leader. It got registration only because the present Premier was prepared to violate the traditions of the Minister for Justice and grant an improper certificate. This organisation received 10,000 shares for which it did not expend one penny of its own money. The "Worker" therefore belongs to five men who obtained the ownership by fraud. The sustenance workers are compelled to contribute to this paper although they have no say in the management. It belongs to the present Premier and two or three of his colleagues. We heard a lot about Jack Lang, when he lent the "Labour Daily" £13,000 in cash of his own money. It was said that he was lending the money to that paper in order to obtain control. If he did get control he got it honestly and straight-forwardly, and made the payment out of his own pocket. Whatever he did pales into insignificance when compared with the conduct of the present Premier, who gave a certificate for registration to five of his mates as an association, and then joined with them in calling themselves a meeting of directors of "The Worker" and issued to themselves 10,000 fully paid up shares for which they never paid one penny.

Mr. Patrick: Perhaps the shares would not be worth any more?

Mr. HUGHES: Perhaps not. I admit that the paper has not a hundred readers. But in order to keep it going as a Government instrument, the sustenance workers have got to take from their meagre earnings—deprive their starving

children and hungry wives in order to put up more money to maintain the power of the Government. That paper is a good instrument for the Premier. At the East Perth election it excelled itself. It wrote £10,000 worth of libels concerning me in 14 days.

Hon. C. G. Latham: Probably that is how you got such a large majority!

Mr. HUGHES: Unfortunately, under the law of this country, although the libels were written at the instance and on behalf of the Premier and his colleagues, if one took proceedings against those gentlemen and got damages it would not cost them a penny, because they would simply take the amount out of the funds of "The Worker" shareholders and out of the moneys subscribed by relief and sustenance workers. That was just what the Government did in the case of the gentleman who has recently been appointed an Honorary Minister. We have some recollection of a gentleman, Mr. E. H. Gray, being appointed a Minister without portfolio. I have nothing to say about Mr. Gray. I believe he will probably make the most polite Minister Western Australia has ever had. I feel sure that if ever he is in the wrong, he will not hesitate to beg pardon. But when Mr. Gray got up against the law, when he was warned of what would happen to him, he said, "Oh, I will take the consequences." The consequences were £721 damages. Where did he get that money from? He did not pay one penny out of his own pocket. And he ought not to have paid, I will admit, because the man who perpetrated the offence was Mr. McCullum. But Mr. Gray went to the Trades Hall at Perth, and he and his colleague took, unlawfully, £721 out of the funds of the industrial unionists of this State to pay for Mr. Gray's legal transgressions. Never was money used more fraudulently. There was a plain misappropriation of funds. That sum of £721, the property of Western Australian unionists, was misappropriated by Mr. Gray and his colleagues. If there was any decency in this State, if there was anything like fair play, so long as public men can misappropriate other people's money we ought not to put anyone in gaol. If there was any decency here, any fair play, we would throw open the doors of the Fremantle gaol and say to the unfortunate transgressors down there, "Come out and be free! You were unfortunate. You had to go inside because you were not in a posi-

tion to steal other people's money to answer for your crimes."

Mr. North: Where did the money come from?

Mr. HUGHES: The money came in part from the relief and sustenance workers. It was bludgeoned out of them at the point of the gun—starvation for their wives and children unless they paid. I will give Mr. Gray this friendly warning. In accepting a Ministerial job without portfolio, he takes an office of profit under the Crown; and in accordance with the Constitution he is bound to seek re-election. The fact that the issue has not been tested does not prove that that is not necessary. It has been laid down time and again. It is the opinion of every man with a knowledge of Constitutional law that if a member of Parliament takes an office without a portfolio, he takes an office of profit under the Crown; and if he attempts to sit or vote in Parliament without first going back to the electors, he is liable to a penalty of £200 every time he sits.

Mr. Patrick: He is an Honorary Minister.

Mr. HUGHES: He may not get the Constitution altered so easily next time. When one recalls the Clydesdale and Gray cases, it is amusing to hear members opposite. I am surprised at the member for South Fremantle (Mr. Fox) being so unsophisticated as to say that the Government cannot get what they want through the Upper House. The Government can get anything they like through the Upper House. They tried to put it over the Kalgoorlie miners, when those miners wanted the Government to force the Chamber of Mines to grant a 44-hour week, that they, the Ministers, were horrified, because that would be unconstitutional. They told the miners, "It is unconstitutional, and cannot be done." But the miners were not so dumb as Ministers thought. The miners asked this pertinent question, "Why is it that when you want to do something for the miners you cannot break the Constitution, but when you want to do something for a rich man, the attorney of a Melbourne racecourse millionaire, the Constitution is no trouble and the Legislative Council is no trouble?" When the decencies of public life were outraged by giving Mr. Gray a pardon and there was a kick coming from the other Chamber, the member for Boulder (Hon. P. Collier) stood up and said, "They had better look to themselves"; and under that threat they

wilted. The violation and degradation of the public life of Western Australia went unchallenged. But when the Kalgoorlie miners were concerned, there was righteous indignation. When I want to do something that will help the unemployed, not even the Standing Orders can be abrogated. On the other hand, when it is a case of a wealthy man backed by a racecourse millionaire, nothing stands in the way and the Government are all-powerful. I have heard quite a lot about group settlement, and I wish to apologise to the group settlers. I suppose I am the man who is responsible for the harsh treatment that is being meted out to the group settlers to-day. We all know that the famous Gray pamphlet was not prepared by Mr. Gray. We know that the famous Gray pamphlet was prepared and taken to Fremantle, and handed over by Alec McCallum when he was Minister for Works. I have a signed statement from people who saw him deliver it. One would have thought, when Gray and Mann were prosecuted, that this Minister of the Crown would have come forward and said, "Look here, don't prosecute Gray, don't prosecute Mann; I did the job, I will take the responsibility." But no! His position was protected, first of all, in that we dare not call the public servants with regard to the pamphlet for fear of consequent victimisation. Even then, his skin was only saved at the last minute by the prohibition upon the official reporters of this House, which prevented them from producing their notes. In order to avoid the consequences of his act, he had to fall back on the terrible act of preventing evidence from being submitted. Even then, he thought he would be convicted. When an appeal was lodged, he thought he would be convicted, and this man, who talks about agitators, was not game to stand his ground! He had the Premier of the State in an unfortunate position in which he could blackmail the Premier into doing anything he wanted. The Premier was in the unfortunate position that he had to leave the State, and when he returned, the gun was put at his head by our noble Alec McCallum. He was not game to wait and stand the chance of having his seat declared vacant, but he forced the Premier to take certain action because he had the Premier, who had been his colleague for years, at his mercy; so

he demanded from the Premier the job, for which he has absolutely no qualifications at all, at £2,000 a year; and now he refers to people as agitators! As a matter of fact, they have nothing to worry about; agitators have done well in Western Australia. This particular gentleman was anathema to people. He was the State's greatest agitator. Now he has finished up as a bank manager at £2,000 a year; yet he is a man who could not add up a column of figures in three days. He is the most impossible man in the community for the job, and the efficiency of the Agricultural Bank and the welfare of one section of the workers—the groupies—have been sacrificed to find a sinecure for a man who turned yellow and was not game to stand up to what he had done. Of course, he is quite an interesting psychological experiment. Our friends tell us that one of our troubles is with the banks. Well, now we have a dyed-in-the-wool socialist in charge of the Agricultural Bank, and how is he running the institution? He is running the bank with much more stringent banking practice than is adopted by any commercial banker. He will not lend money without security, and he is bludgeoning these people who are living from hand to mouth into paying a few paltry shillings in interest. Without entering into the merits or demerits of the group settlers—they have their own members to do that—there is no doubt, as I pointed out in this House years ago, that group settlers were induced to take up holdings by false pretences and misrepresentation. I produced in this Chamber a pamphlet issued in London on behalf of the State of Western Australia, which contained most extraordinary mis-statements about what the South-West can produce. I well remember that on the front cover of the pamphlet there was the picture of a working man with a shovel, with which he was shovelling sovereigns made out of the Peel Estate. The soil on the Peel Estate is not as good as the sand in my backyard at Mt. Lawley! So these unfortunate people were victims of a campaign of misrepresentation. If there are any losses as a result of the group settlement scheme, those losses should fall on the people of Western Australia as a whole, because it was the servants of the people of the State

who misrepresented the position to the people from overseas. What was the position of this gentleman who wants the group settlers to pay their interest, and will take their cream and leave them without food if they do not pay? He was a Minister of the Crown for which he received £1,000 a year; he had his Parliamentary salary; he had his interest in pubs, and he owed the Agricultural Bank £2,300. Why did he not set an example to the groupies? Why did not he, as a Minister of the Crown, pay off his indebtedness to the Agricultural Bank? But no! When it applied to him, it was quite a different thing. It did not matter if the State was ever paid, and I suppose no officer of the Agricultural Bank would dare to take steps to enforce payment, because we have a system in this State whereby certain people are above the law.

Hon. C. G. Latham: These are rather serious statements.

Mr. Coverley: You know how much truth there is in that statement.

Mr. HUGHES: I hope, Mr. Speaker, that the member for Murchison will enlarge the scope of his proposed inquiry into the operations of the Licensing Act with a view to ascertaining just who are really the people participating in the liquor licenses, and just where the profits from the sale of the licenses have gone. The member for Kimberley (Mr. Coverley) will then ascertain the truth.

Mr. Coverley: If I do, I will not become a public informer.

Mr. HUGHES: The hon. member neither has the intelligence nor the courage to do that, but he need not worry. It takes courage to stand up—

Mr. Coverley: Why not say that outside?

Mr. SPEAKER: Order! The member for Kimberley had better keep order.

Mr. HUGHES: The member for Kimberley asks whether I will repeat the statement outside. Does he think that puts the fear of anything in me? Not in the slightest.

Mr. Raphael: We will carry on with the pieces, anyhow.

Mr. Thorn: What a noble statement!

Mr. HUGHES: I refuse to be intimidated either inside or outside the House. The member for Kimberley should take care, because even Jack Johnson met his Waterloo.

Mr. Coverley: I thought you were going to squeal to the police again.

Mr. HUGHES: I do not squeal to the police.

Mr. Coverley: You have done it several times.

Mr. HUGHES: I do not squeal.

Mr. SPEAKER: The hon. member will address the Chair.

Mr. HUGHES: I know that I tackled their prize thugs at East Perth single-handed, and those thugs came alone. They were not led by the member for Kimberley. Like a good general, he stood well behind. He was well behind them, a devil of a long way behind.

Mr. Coverley: Like you were in 1914.

Mr. HUGHES: The member for Kimberley is coming the returned soldier racket now. He is going to get behind the returned soldiers. I thought we had definitely determined who had won the war. I stood as an anti-conscriptionist in 1914. One reason why you, Mr. Speaker, and I stood for anti-conscription was that we were afraid if military conscription were enforced, it would be followed by industrial conscription. We had the courage to stand and fight when those people who had not the courage enlisted rather than stand up for their convictions. And I am not casting any reflection on the hon. member's war record. I did not know he was a returned soldier. But unfortunately, although we stood in fear of industrial conscription, we have got the most intense form of industrial conscription in Western Australia to-day, much more intense than we ever visualised. The workers to-day, particularly the Government relief workers, are under an intense form of industrial conscription. They have no rights. They have to pay money out of their meagre earnings, so that my friend will not have to pay his election expenses. They have to starve their wives and children so that somebody will go over the air and tell us to vote for the member for Kimberley. Perhaps they are doing good work. We hear now over the air people we used to hear over the Esplanade; it is gratifying to know that they have risen from the Esplanade to the ether. I am not at all concerned about any threats that might be levelled at me, because I have always been able to take care of myself, although I do not go in for vigorous athletics of that nature now.

Member: When will you tell us about your policy?

Mr. HUGHES: Later on, my friend. I might be able to give a good account of my-

self, and I can tell the member for Kimberley that even if he were to defeat me he would be a long way from being champion of the world. When I came here before, things seemed to me to be rather mixed. To-day it is hard to say who is who in this Chamber. No one seems to adopt the capitalistic system. The member for Subiaco (Mrs. Cardell-Oliver) made the most socialistic speech ever heard in this Chamber. I first came into public life a socialist. I still have great faith in socialistic doctrines, and I think we are on the way to socialism when we hear the Country Party advocating socialism in the form of marketing pools.

Hon. C. G. Latham: We are a socialist State.

Mr. HUGHES: Yes, but if you scratch a socialist you will find a conservative. I can remember as a boy 30 years ago being taken up to Boulder to meet the atomic nightiness of a member of the Federal Senate. I was duly impressed, and the gentleman told us that we young fellows had a job ahead of us, namely, to abolish the capitalistic system. That was 30 years ago. I met the gentleman again, when he was not a Federal Senator, but was destitute and depressed, and I intrigued to get him a job, and was punished for my intriguing. I went to a meeting where I had the right to be, and the one man of all who objected to my presence was the ex-Senator, the man who, when down and out, and when his friends of better days were not caring for him, was cared for by us; we intrigued for him. And, strangely enough, history again proves repetitive, for one of the first things I hear on my return to this House is the member for Perth (Mr. Needham) telling us that what we require to do is to abolish the capitalistic system. I can tell him that we worked that racket out 20 years ago, that the capitalistic system is quite safe. I have no qualms about it. As a capitalist with a deficit of a £1,000, I say that as far as I am concerned the system can go to-morrow. But what I prophesy is that certain people will keep on telling the workers that what they want to do is to abolish the capitalistic system. Yet those people themselves have no intention of doing it. Time and time again we have had a Labour Government both in this State and in the Commonwealth, yet they have never attempted to abolish the capitalistic system. We have had a Labour Gov-

ernment here for years, yet they have never attempted to abolish anything, except that they fall over themselves to abolish the mining industry by handing it over to go-getters, an industry in which we have enough money to pay half the public debt, despite which the socialist Government could not hand it over quickly enough. What is the use of their telling the workers of the State that they have to abolish the capitalist system when they themselves will not do anything to abolish it? In this State the well-fed, well-clothed Labour politicians and industrial leaders do not want to abolish the capitalist system, because they might fare worse under any other system. It is 30 years of hypocrisy for the member for Perth to come along and say we should abolish the capitalist system. Then he tells us about the banks—the banks are the trouble. Well, what are they going to do about the banks? No one can get from Mr. Curtin, the Federal Labour Leader, what he intends to do about the banks. Does he intend to make the Commonwealth Bank lend money without security? Does he intend to hand over the Bank to a board like the Licensing Board, or does he intend to fool the workers by making the Commonwealth Bank an ordinary trading bank in competition with the other banks, just as we have the State sawmills in competition with privately-owned sawmills. And, by the way, if you ring up for a bit of timber, you get the same price from the State socialist concern as you get from the private mills.

Mr. Raphael: Things are different with them now.

Mr. HUGHES: Probably the hon. member for Victoria Park, for psychological reasons, always buys seconds.

Mr. Raphael: He can buy you, anyhow.

Mr. HUGHES: Yes, of course. I regret that the member for Brown Hill-Ivanhoe (Mr. F. C. L. Smith) is not in his place to-night. He treated us to a dissertation to the effect that we ought to have a 40-hour week. So we ought, and so we shall, but we will not get it from the people he supports. It is a strange thing to hear the hon. member advocating the adoption of a 40-hour week, when six months ago the Government of which he is now a member asked the Arbitration Court to make the nurses in the Perth Hospital work 56 hours per week. In one breath they talk about the adoption

of a 40-hour week, but when it comes to practice, their basis is 56 hours to the week. And the men employed on farms by members opposite do not work 40 hours per week.

Member: No, twice that.

Mr. HUGHES: The policy of the Government is 56 hours a week. They asked the Arbitration Court to make nurses work 56 hours a week, but the Arbitration Court would not grant it and ordered the girls to work 48 hours. Notwithstanding that the employer can fix his own period of hours, they got 48 hours a week and made the girls work 48 hours a week until it became an issue at the East Perth election, and now the girls' hours are reduced to 44 a week. If the Government were sincere, why did they not try the experiment of starting the nurses on a 44-hour week? They are not sincere. The member for Brownhill-Ivanhoe considers that any person who tries to uplift the lowest class of workers is an imbecile. He wrote in the "Daily News," one of the leading capitalist papers, that it was fatuous presumption for people to ask for full-time employment for the unemployed. Fatuous presumption! I looked up the meaning of the word "fatuous." It means "imbecilic." If you want the workers to have decent conditions, the member for Brownhill-Ivanhoe, writing for a capitalist newspaper, thinks you are an imbecile! Fatuous presumption! Yet they were promised full-time work three years ago. Although personally I would like to see the member for Brownhill-Ivanhoe advance, I am sorry for the workers because I am sure that a man who could write a statement like that will be a stalwart of the Chamber of Mines, and the Chamber of Mines will have nothing to fear. If we are always to have unemployment, what is the use of our going time and time again to the electors and saying it is the duty of the Government to find work? I can remember, in 1921, hearing the member for Boulder saying to the then Premier, "It is the duty of the Government to find work or wages." But that was only while he was in opposition. As soon as he gets on the Treasury bench, his amanuensis tells us it is fatuous presumption. What did the member for Brownhill-Ivanhoe do when he had an opportunity to give the miners a 40-hour week. Surely if any class of men were entitled to a 40-hour week, it would be the men who work underground. But no, he did not do anything. The Government could

have given the miners a 40-hour week had they so desired. When the Government had the gun at the head of the Chamber of Mines and were forcing the Chamber of Mines to give the men a 44-hour week, when the Government were violating their executive positions on an occasion when they were perhaps entitled to violate them, what ought to have happened was that the gentleman who ordered the miners to work 48 hours a week underground should have been given three months' trial at it compulsorily, and he would then have obtained a better outlook. The Government might as well be hanged for a sheep as for a lamb. When they were going to the extent of forcing the Chamber of Mines to give a 44-hour week, they might as well have gone the whole hog and given a 40-hour week. The mining industry can quite well stand a 40-hour week. The mining industry, above all industries, could concede it. If we want to introduce the principle of a 40-hour week, let the Government go to this extent. We know that in the cities the industrial workers are organised and are capable of protecting their own conditions and getting decent conditions, but in the agricultural areas the workers are unprotected. I suggest to the Government that if the member for Brownhill-Ivanhoe is sincere, now that he is a Minister, he should say to the farmers, "You work your employees 40 hours a week, and whatever you suffer financially as a result of that, we will give you a subsidy from the Treasury to recoup you."

Hon. C. G. Latham: We know we would not get it.

Mr. HUGHES: I have told the workers of East Perth that they cannot get a 40-hour week while their fellow-workers are on 48 and 56 hours, and the workers of East Perth are more honest than some people and they agree. No worker in East Perth wants a 40-hour week if it is going to involve nurses working 56 hours a week, and they do not want a 40-hour week if farm labourers have to work 56 to 60 hours a week for two-thirds of the basic wage. Let the Government show their bona fides and make a start by establishing a 40-hour week in the agricultural districts, so that the farmer will be recouped for any loss he sustains, and then we can spread it from the agricultural areas inland. But the Government are not concerned about the workers. You, Mr. Speaker, as an old goldfields identity, will know that at the time I was a boy anyone

could get a bit of tucker and go out prospecting on the Golden Mile. If he found anything, it was his. But it is not so to-day. The present socialistic Government have handed over the mining areas to Mr. de Bernales. I can remember the time when, at the mention of the name of de Bernales, the Minister for Mines automatically ground his teeth. We were told there were three people of whom we should beware. One was the late Mr. Hedges, who later on became respectable and got into business associations with the member for Yilgarn-Coolgardie. The second man was Mr. de Bernales. I have heard the most terrible things said of him. I do not know whether they were true or not. I can remember that in the days of hot socks and half-mast pants, de Bernales was a well-known figure in Kalgoorlie. But the most terrible things used to be said about him. The third man we were told to hate was the devil. To-day de Bernales is virtually Minister for Mines. He has a reservation of all the gold-bearing and good green-stone gold-bearing country in this State. The Government have deprived the old battler of his birthright. I had a painful experience at Norseman. A man 70 years of age was battling there for a living, working a show, when someone came along and bought it. It was the old man's birthright; he was one of the old battlers who blazed the track on the fields. He sold the show, but when he did not get paid for it and attempted to enforce his right by legal action, they said, "You have not offered the show to de Bernales, or to the Western Mining Corporation," and he had to withdraw his case. So the old prospectors have been handed over body and soul by the Minister for Mines to de Bernales. What a wonderful alliance! Now the Minister for Mines sees eye to eye with de Bernales. De Bernales told the workers that he thought they should have a 48-hour week. What happened? He was taken to the Trades Hall, Perth, and treated to a beer and a biscuit. It is a sorry day for the mining industry.

Hon. C. G. Latham: It is surprising what a beer and a biscuit will do.

Mr. HUGHES: I wonder in whom the conversion has taken place. Has De Bernales turned socialist or has the Minister for Mines turned capitalist? We are told that these people do a lot of good by inducing capital into the industry. They also do a lot of harm. We may have got a few

pounds into the State for mining, and some of us may have made a few pounds out of it, but incalculable harm has been done to the industry by the Government allowing wild-cat flotations and associating themselves with such flotations. The result is one cannot get money for mining in London to-day. In Adelaide people would always buy a mine, but to-day one could not sell them an option over the Mint. The Government have shamefully betrayed their trust, and handed the heritage of the people to mining speculators. We can understand de Bernales saying to the Minister for Mines, "You should have a trip to London." Of course he should go to London, for services rendered. The Minister went to London. He came back and told us that as the result of a sojourn of one month there he had induced a million and a half of money to come to Western Australia. If he was able to do that in a month it was not an economic business to bring him back. Why did he not stay? As a matter of fact he did not induce one shilling to come to this State. He was merely the smoke-screen for De Bernales. The member for North-East Fremantle (Mr. Tonkin) spoke to us about the millenium. He told us it was easy to solve our troubles.

Mr. Tonkin: I do not think I said that. I know it is very hard to do so.

Mr. HUGHES: This is what he said. If he did not intend to say it perhaps he will tell the House. He said, "The way to abolish poverty is as plain as a pikestaff. It is to abolish the capitalistic system."

Mr. Tonkin: That is what I stand for.

Hon. C. G. Latham: You will be over this side directly.

Mr. HUGHES: He told us there were five ways to solve our problems, send our children to school until they were 16 years of age, and retire us at 50 or 40 years of age. When he had built up our hopes and we were like Moses looking into the promised land, he said it was not for him to do it, but for the Federal Government.

Mr. Tonkin: I said we wanted Federal aid.

Mr. HUGHES: The hon. member is prepared to do for us everything that someone else would do, but is not prepared to do anything himself.

Mr. Tonkin: Just as you seek aid when you cannot do things for yourself.

Mr. HUGHES: I do not suggest shelving our responsibilities upon the Federal Gov-

ernment. Let us shoulder our own. If the Federal Government are standing in the way let us get out of Federation.

Mr. Tonkin: And make the task more difficult still. That is not logical.

Mr. HUGHES: How can it be made more difficult? This country was more prosperous before Federation than it is to-day. Under Federation we are in the hands of the manufacturers of Melbourne and Sydney. It does not matter who is in power; the manufacturers control the situation. If we had a Federal Labour Government it would be like putting the manufacturers of Melbourne and Sydney on the Treasury bench.

Mr. Tonkin: The hon. member will admit that the resources of the Commonwealth are greater than those of the State.

Mr. HUGHES: The hon. member will not.

Mr. Tonkin: There is something wrong with the hon. member's mentality.

Mr. HUGHES: That statement leaves me cold. I am not even angry.

Mr. Tonkin: Being devoid of the finer feelings, you would not be.

Mr. HUGHES: Is the hon. member imbued with finer feelings? If so, he would not say anything he felt would hurt the feelings of someone else.

Mr. Tonkin: I know I cannot hurt the hon. member.

Mr. HUGHES: He cannot hurt me because, as I have said, I have a philosophy. I divide the world into two parts, made of the wise part that agrees with me, and the other of the paranoics who do not agree with me.

Mr. Raphael: We have only your opinion for that.

Mr. HUGHES: It is my philosophy. One can always get a bite from the member for Victoria Park (Mr. Raphael). He spends half his life trying to put his teeth into someone. I do not admit that the resources of the Commonwealth are greater than those of the State. We are a sovereign power here. As a State we have control of all the resources of the State. These resources are the State's natural productivity, and the land is the basis of all its resources. Gold is one of the resources of the State. The Commonwealth Government do not own our gold any more than the sovereign State of Western Australia owns it. If we were divorced from the

Commonwealth we would have possession of all the natural resources of Western Australia, and would have all the obligations to govern ourselves. The Commonwealth is made up of six States, and each has its own obligations. If we were free of Commonwealth control we would have one thing that we were foolish to give away, and that is absolute control of our own finances. Although I voted for the Financial Agreement I would gladly revoke that vote to-morrow if I could.

Mr. Raphael: That is the only mistake you ever made.

Mr. HUGHES: For once I believe the hon. member. I think we could get out of the Commonwealth very easily. If we were determined, we could get a re-alignment of the Commonwealth powers without much trouble. In South Australia and Tasmania complaints against the Federal domination are rampant. What we want is a re-alignment of the powers as between the Commonwealth and the State, if we do not get secession. We could get that in seven years. We could start an organisation in Western Australia for State rights and re-alignment. The moment our organisation became established we could go to South Australia and Tasmania, and effect the same organisation there. At the next Senate elections we might get into the Federal Senate three South Australians, three Tasmanians, and three Western Australians pledged to the readjustment of State rights. Then we would have nine members in the Senate. And at the next election we could put in nine more. Then we would have 18 members, half the Senate; and when the Government of the day, whoever they might be, elected their President they would be in a minority on the floor of the House, and we could tie up the whole Federal business until they gave us readjustment. In fact, we could tell the Federal Government what Parnell told the House of Commons. With 18 Senators we could make the position so awkward that any Federal Government then in power would have to compromise with us. We could even throw out their Budget. We could refuse to allow them any Supply. And we would be doing these things in a perfectly legal and constitutional way. We could say, "We have 18 Senators here for the one purpose of getting a re-alignment of our relationship."

Mr. North: Then the two Federal Houses would sit jointly, and the Government would have a majority against us.

Mr. HUGHES: They would, but we could go on holding them up, and in those circumstances they could not continue indefinitely. The machinery would not work. We would have a spanner in the works. I suggest that the time is ripe when we people who believe in a readjustment should do something to organise those two States. Our Government ought to make available at least £20,000 for organising purposes in that direction. If not, as we go, the Federal Government are continually encroaching, and we members of the Western Australian Parliament will be joining the ranks of the unemployed, as we shall have nothing at all to do. I suggest to the hon. member that in stating that only the Federal Government can do these things, he is waking the public up to say, "What do we want you fellows for if you cannot do anything?" But there is a way out when we have the courage and resolution to take it. I suggest to our friends opposite one urgent reform. I do not think the capitalist system is going to topple over or be pushed over, for I do not know anybody who really wants to abolish it. I do not know any sane man on the opposite side of the Chamber who would to-morrow abolish that system. The people are not ready for such a change. Whilst I agree that the system in Russia may be the best system for Russians, we in Australia are in a very different stage of development from that of Russia in 1917. The people of Western Australia and the people of Australia are not ready for socialism, and their leaders do not want to give it to them. But there is one thing we could strive for, one thing that would tend to relieve and improve the conditions of living for many. The day has long gone by when we should cling to the obsolete fetish of the gold standard. Of course we are not now on the gold standard. What I suggest is that we should link currency to commodities. Just one short illustration of what I mean. A man who has a £1,000 house in the metropolitan area can get a first mortgage for two-thirds of the value of the house. Only on extremely rare occasions is a first mortgagee known to lose his money. Banks will advance against credits and against commodities up to a certain limit. What happens? A person with a property worth, say, £1,000 borrows two-thirds of that amount on first mortgage at,

say, 5 per cent. per annum. Then if the mortgagee wants money, he goes to the bank and deposits his mortgage, and the bank gives him an overdraft to the value of the mortgage, because the bank is quite satisfied that 66 per cent. is safe. If the bank gets into difficulties and needs currency, it will take all these mortgages, or a certain number of such securities to the Commonwealth Bank, and the Commonwealth Bank will give it currency against them. And where does the currency come from? From the note issue. So behind it all there is the note issue. For the last century, time and again, when a crisis has happened and the Bank of England has been in danger of not being able to pay in gold, the British Parliament has held a hurried session and suspended the Bank Act—which simply meant giving the Bank of England the right to pay in paper. What difference would there be if, instead of the owner going to the mortgagee and the mortgagee going to the private bank, and the private bank going to the Note Issue Department, every person who had a thousand pounds' worth of security were able to go to the Note Issue Department and say, "I want two-thirds of that value in notes"? That is all we do to-day. I know the member for Avon (Mr. Boyle) will say, "There is another crank in the House." But let us not forget that the crank of to-day is the wise man of to-morrow and the genius of history. My suggestion applies to farming commodities and all other commodities. Then if we had £1,000 worth of property, we could go to the Note Issue Department and say, "We want £600, which we will pay off over 20 years at, say, one per cent." The one per cent., I submit, would be more than enough to cover any possible loss by default. One result would be that people could get homes. Just imagine if all the people in Perth with a first mortgage could, instead of paying interest, be paying that much off the principal. I repeat, it would mean that people would get homes. Interest charges would be reduced to the farmers, and there would be this great reaction: so much money would become available for investment that rates of interest would tumble. To-day we have to pay 6, 7, 8, and 10 per cent. on securities in respect of which lenders would be glad to accept 3 per cent.

Mr. North: Professor Keynes says that.

Mr. HUGHES: As an accountant, I cannot see that anything is necessary except

taking out two intermediate steps. There is the security, and people would be glad to pay off their loans. Against the paper issue there would always be realty or commodities just as staple as gold.

Mr. North: More so.

Mr. HUGHES: I suggest that as an avenue, even at the risk of being called a crank. Formerly we found that Russia was taboo, that nothing was good about Russia. But recently we found Archbishop Le Fanu and Mr. Frank Beasley—the professor of law to whom I am much indebted for instruction in the science of law—setting up a Russian Culture Society. To-day the nice people are facing the Russian question. Some of them even went and drank champagne in the Kremlin recently—the first champagne drunk there since the fall of the old regime of the Tsars. It is a fine thing to see such gentlemen taking up the study of Russian culture. If there is any admission for the low-born I shall make efforts to become a member. I submit that the suggestion I have offered represents a practical way of effecting something to improve the standard of living. It is something that is practical—a practical monetary reform. It is no visionary abstract proposition but a solid sound practical scheme of monetary reform.

Mr. Tonkin: As a matter of fact, it savours very much of portion of the Lang Plan.

Mr. HUGHES: If it does, I am not scared of being dubbed a Langite. No, what the member for North-East Fremantle means is a little book written by Mr. Paterson, B.A., of the Sydney University, entitled "The Lang Plan." He did deal in a minor way with advancing currency against commodities.

Mr. Tonkin: But Mr. Lang stated definitely he believed in tying currency to commodities.

Mr. HUGHES: At any rate, I did not refer to Lang, but to the Paterson book. There is one avenue in respect of which members of all political shades of opinion could join issue and so accord relief, not only to industrial workers, but to the farmers and others. I am sorry to be so long-winded, Mr. Speaker, but I hope you will remember that I have had nine years of enforced silence. I want to deal next with what I consider the most pressing problem of the State. Three years ago the unemployed and the casual workers were promised that if

they voted for certain gentlemen they would secure full-time employment. Of course they did not get it; the gentlemen concerned never intended to give them full-time employment. It was merely a miserable artifice to get their votes. Nevertheless, they should have been provided with full-time employment, because the Government have had sufficient money to enable them to make it available, and the only reason that it was not given was, as the member for Brown Hill-Ivanhoe (Mr. F. C. L. Smith) indicated, that it was a fatuous presumption that we could get away from the old doctrine that we must have the unemployed with us. In 1933 there was established that most uneconomic and inequitable form of taxation known as the wages tax. That tax was unsound and unfair, for the reason that the man in receipt of £4 a week and who had no children, paid the same tax as the man in receipt of the same salary, but with five children dependent upon him.

Hon. C. G. Latham: That is what the members of the present Government used to say when they sat on this side of the House.

Mr. HUGHES: I know, and I may as well say at once that I am in general agreement with what the Opposition said about the Government and with what the Government said about the Opposition from time to time. The Leader of the Opposition will get a chance to do something for the unemployed, and when he is weighed in the balance, I hope he will not be found wanting. All scientific forms of income tax make allowance for deductions from the assessable income of so much per child, so that before the assessable income is finally determined all obligations are equated, and so the capacity to pay is arrived at on an equitable basis. The wages tax was justified upon the ground that although the tax was inequitable, it was required for the relief of unemployment. The industrial workers and the people of Western Australia generally said, "All right, if this tax is for the relief of unemployment, we are willing to pay the tax." So a tax of $4\frac{1}{2}$ d. in the pound was levied, and in the year 1933 the tax resulted in a return of £202,000, and there was paid out in unemployment relief from revenue, £357,000. So that the Mitchell-Latham Government did distribute in the relief of unemployment every penny they collected from the wages tax, plus £155,000 from general revenue. But the people were told that the

incidence of the tax was wrong. Everyone had to pay a flat rate of $4\frac{1}{2}$ d. in the pound, and we were told that it was unfair to tax the basic wage. What happened when the new Labour Government took office? They put over one of what, if I may borrow an expression of the member for Nedlands (Hon. N. Keenan), I would describe as an "artifice of the political trickster." They told the workers it was not fair to tax the basic wage, so they exempted from taxation the man who was on the basic wage, but no more. The basic wage then was £3 10s. 6d.

Hon. C. G. Latham: That was the basic wage in the city; not on the goldfields.

Mr. HUGHES: That is so. But to the man who earned £4 a week, the Labour Government did not say that the basic wage of £3 10s. 6d. was exempt, and that he would pay the tax on 9s. 6d. only; they imposed upon that man the tax on the full £4. They taxed both the basic wage and the man's margin. It is useless for the Government to say that they are in favour of exempting the basic wage from taxation, because they taxed the basic wage. Then they said the rates were wrong. The man in receipt of £4 a week had to pay a tax of $4\frac{1}{2}$ d. in the pound, so the Labour Government reduced the rate to 4d. Thus, instead of paying 1s. 6d. the worker on £4 a week paid 1s. 4d. He was 2d. a week better off. Then there was the position of a man in receipt of £5 a week, irrespective of his obligations. There are members of the union, of which I am secretary, who have five children to maintain on £5 a week, but men in that position were charged a rate of 5d. in the pound. So the $\frac{1}{2}$ d. that the Labour Government gave to the man in receipt of £4 a week, they took from the man who got £5 a week. They said to the man in receipt of £6 weekly, "You shall pay 6d. in the pound"; to the man on £7 a week, that he should pay 7d. in the pound; to the man on £8 a week, that he must pay 9d. in the pound; but they did not say to the man on £12 a week that he must pay a wages tax of 1s. in the pound. There they stopped. They did not say to the member of Parliament who earned £12 a week, that he must pay 1s. in the pound. They did not say to Cabinet Ministers who were in receipt of £30 a week, that they must pay 2s. 6d. in the pound. I submit there would be less hardship inflicted if 2s. 6d. in the pound were taken from Ministers of the Crown in receipt of £30 a week, than there is in taking

9d. in the pound from a man who has a family to support on £5 a week, or £8 a week. The Government shifted the incidence of the tax and put it on to the workers and on to the members of the lower middle class. They did not touch those in the upper scale. So that everybody in the State should be properly fed and clothed. I would allow the tax to go on indefinitely until it reached a rate of 10s. in the pound or more. Do members realise what that would mean? If we were to levy a rate of 10s. in the pound, the man in receipt of £120 a week, would have to pay £60 per week in taxation. I hope that if ever we do that, I shall be the first man in the community to get slugged for £60 a week. As a result of the alteration of the incidence of taxation, the impost produced in the following year £411,000, or more than double the return during the previous year. Strangely enough, although the Government received more than double the amount, the money paid away in relief of unemployment was reduced to £244,000, so that Consolidated Revenue made a net profit of £167,000. Therefore, whereas the previous Government—God forbid that I should defend the Government with so many sins on their shoulders—

Hon. C. G. Latham: You say that they acted better than the present Government.

Mr. HUGHES: The previous Government have been wrongly and unfairly dealt with. They did give the unemployed every penny they got from the wages tax, but the present Government withheld £167,000 and paid it into Revenue.

Hon. C. G. Latham: For the first year.

Mr. HUGHES: Yes, and during the second year the tax returned the enormous sum of £685,000, but the Government spent in the relief of unemployment only £92,000, resulting in a profit to Consolidated Revenue of £592,000. And the ex-Premier said that this tax was not instituted in aid of unemployment. It will be remembered that one night, in company with some birds of the air, he flew over East Perth and made some extraordinary statements. He said that this tax had not been instituted in aid of unemployment. Here are the public accounts for 1933, signed "A. Berkeley, Under Treasurer," "P. Collier, Treasurer." And on page 3 there is the entry "Unemployed relief tax, £202,326 7s. 3d.," over the member for Boulder's own signature. Then he said the tax had not been instituted for the relief of

unemployment! But in the third year the tax produced £685,000 and in the last year it was estimated that the tax would again produce £685,000, whereas it actually produced over £830,000. And the amounts estimated to be spent in relief of unemployment totalled £63,000. So that in the last three years the Government have taken from this taxation over and above what they have given to the unemployed in relief, 1½ million pounds.

Hon. C. G. Latham: And they have not built the Fremantle bridge.

Mr. HUGHES: They balanced the Budget, and the ex-Premier said he was proud that the Budget was balanced. You, Mr. Speaker, will recall that on one occasion you said you did not care if the Budget deficit was a million pounds, so long as that amount was spent in the interests of the workers. At all events, I remember it.

Hon. C. G. Latham: So do I.

Mr. HUGHES: And of course, Mr. Speaker, you were right in that remark. The ex-Premier produced a surplus of £98,000, a surplus founded on the human misery and suffering of the relief and sustenance workers. And the ex-Premier said he would write a cheque for £100,000 on the Loan Council and give it to necessitous farmers. That would have been a worthy thing to do. There are many in the city who come into contact with the farmers on the commercial side, and they know that the farming community have suffered terrible privations during the past five years. In any relief that we city members can get, we ought not to forget that there are fellow workers in the country who require our assistance badly.

Hon. C. G. Latham: Hear, hear!

Mr. HUGHES: The Government commandeered a million and a half and balanced the Budget. But there was no need to balance the Budget, because the Federal Government had provided for our assistance to the tune of £200,000. There was that money that we could have got from the Federal Government and which could have been distributed in relief of unemployment prior to the 30th June last. The Government were embarrassed at the opening of the last Loan Council, when Mr. Lyons drew attention to the fact that they had provided for loan money £31,000,000, but the Treasurer had been unable to spend more than £26,000,000, and so they had £5,000,000 on hand, and we could have £200,000 of it. And if we had asked for another £200,000, they would have

given us that, too. I think this State owes about £88,000,000. Taking my family responsibilities, apart from my private creditors, I think I can answer for something like £800. I would willingly surrender to the Federal Government all my assets if they would give me a clean discharge. So we are owing so much that another £200,000 would have been neither here nor there. Mr. Lyons says—I saw it in this morning's paper—that they have taken over the responsibility for State debts. That is news to me. They have taken over the responsibility for paying them, but at the same time they have shown New South Wales that the States have to pay. The Commonwealth have taken over the responsibility for seeing that we pay our debts. That is of no advantage to us. I was at a dinner in South Australia when a Federal member got up and talked of what the Federal Government had done for unemployment. He made some extraordinary statements. One would have thought the Federal Government were doing everything. At the end of his speech that gentleman told a funny story, the termination of which necessitated his imitating the bleat of a goat, which he did very successfully. But our Government were embarrassed. There was £200,000 which they might have spent for the relief of unemployment, but would not do so. Consequently, they decided to raise the salaries of people who were well above unemployment. In 1933, when the Financial Emergency Act was introduced, wages and salaries were cut to the extent of 18 per cent., 20 per cent. and 22½ per cent., according to earnings. The tramway men and railwaymen in East Perth had their wages reduced by 18 per cent. So the tramway man on £4 18s. per week was reduced to £4 2s. 6d., or a reduction of 15s. 6d. per week. And this on the plea of a common sacrifice. Members of Parliament were reduced 20 per cent. and Ministers of the Crown were reduced 20 per cent. or 22½ per cent., I do not know which. Because we know that a Minister receives £1,000 from the Treasury and for that, according to the Act, he was entitled to be reduced by 20 per cent. But he gets another £500 as member of the House.

Hon. C. G. Latham: It was provided that the two salaries should be counted as one.

Mr. HUGHES: Then the salaries of Ministers were reduced by 22½ per cent. So we find that when the tramway man was reduced to £4 2s. 6d. the member of Par-

liament was reduced to £480. The Minister for Employment—speaking, of course, impersonally—was reduced from £31 per week to £23 per week, and the Commissioner of Railways was reduced from £38 per week to £30 per week. When the Government were coming back into power they said it was terrible that the industrial worker should be subject to the Financial Emergency Act, and that as soon as they were returned they would release those under the provisions of the Arbitration Court from the provisions of the Financial Emergency Act. But on the 30th June, 1933, when the depression was at its worst, the basic wage reached its lowest stage of 68s., a reduction of 18s. Later on it went back 1s. 6d. in the pound. So in 1933 the present Government passed legislation abolishing the Financial Emergency Act in respect of tramway men and railway men. The tramway man was delighted at getting his cut back, but when he went up for his next pay he found that he was given the same money as before the Act was abolished. And this is what they told him in explanation, a truly chauvinistic explanation:—"Under the Financial Emergency Act you were reduced 15s. 6d. per week. We have abolished that, but in consequence of the basic wage having fallen to £3 9s. 6d., a reduction of 15s. 6d., what we have given you back, under the Financial Emergency Act on the one hand, we have to take again under the provisions of the basic wage." So the tramway man was not a penny better off and is still on the £4 2s. 6d. plus the 1s. 6d. rise last week. Thus, the tramway men of East Perth and the railway men and the industrial workers are suffering financial emergency deductions. What about us, or those who were here before the last elections? In 1933 members were reduced to £480 and placed in the same position as the tramway man, bearing their cut under the Financial Emergency Act. At the end of 1934 members received an increase of £45 a year, and at the end of 1935 members' salaries were restored in full. For us the depression is over. We are back to 1930 rates. We are 20 per cent. better off than in 1930, which point I will explain later. The Minister for Employment, in 1933, was down to £23 a week, but was raised in 1934 to £25, and at the end of 1935 was

restored to £31 per week. The Commissioner of Railways was reduced from £38 to £30, and he, too, has gone back to the original salary. Everybody in the Public Service who was getting over £10 a week has had his full salary restored, and it cost the Government £100,000 this year to do it. While I am on this point, I would like to answer a statement by the present Minister for Employment. A Minister is in a very happy position when he receives a deputation in that he always gets the last say. The Minister for Employment pointed out that the man on £30 a week has to pay Federal and State income tax. That is the first time I have ever known the Minister to see the point of view of the man on £30 a week; he used to see the point of view of the man on £4 a week.

The Minister for Employment: It was not the point of view; it was the fact.

Mr. HUGHES: Two months on Ministerial salary and he sees the other point of view! Taking the figure at £1,500, the Minister would pay in Federal and State income tax approximately £140 per annum. He is paying only 9d. in the pound emergency tax, the same as the man on £8 a week. Allowing that the Minister gets rid of approximately £200 of his salary and is reduced to £1,300, we are told according to the basic wage—and so long as the figures remain unchallenged we have to accept them—that what could be bought for 86s. in 1930 can now be bought for 72s. That is, 5s. will now buy what it took 6s. to buy in 1930. In restoring the salaries of members of Parliament to £600, we are now on the equivalent of £720 according to the 1930 money basis. We have had a 20 per cent. increase in salary and some of us deserve it. Ministers of the Crown have had a 20 per cent. increase in real money value—purchasing power, and so have all the people receiving over £10 a week. But the tramway men and industrial workers remain on the 15s. 6d. reduction. We are told that is a matter for the Industrial Arbitration Court, but there is nothing to prevent the member for Brown Hill-Ivanhoe introducing an amendment to the Arbitration Act to plus the basic wage 15s. 6d. If it was right for this House to interfere with the basic wage by reducing it by 15s. 6d., it is right for us to plus it by that amount. Whenever we like, we can

put the industrial worker on the same level as ourselves; we can end the depression for him. But I do not suggest we should do that or that we should be allowed to keep our increase. There are in the community the unemployed man with a wife and two children who, in 1930, was allowed to earn 48s. a week, and in 1936 he is allowed to earn 52s. He has had a magnificent increase of 4s. a week. We have had an increase of £2.

Hon. C. G. Latham: He is compelled to join the union.

Mr. HUGHES: That is another matter. All we could do for a man with a wife and two children was to give him 4s. a week increase. There are many farmers I know who are in a similar position. I suggest that before we gave one penny to ourselves or to any civil servant on £10 a week, before we gave the Commissioner of Railways £8 a week we should have said that nobody was entitled to revert to the 1930 salaries so long as one man was forced to keep a family on less than the basic wage. We could end unemployment to-morrow. We should end it to-morrow if we were honest in our protestations. We are spending in loan money approximately 2½ millions this year. If we added the wages tax of £800,000 to that amount, it would mean we could provide every relief and sustenance worker with a 33 per cent. increase. A married man on 52s. a week could get a 17s. a week increase which would bring his total to 69s. a week, and only 3s. below the basic wage. It would not be necessary to put all of them at work. If we could put 60 per cent. at work on full-time wages, the spending in necessities would cause money to circulate and in the turnover we would find all back at work.

Mr. Latham: That was the policy when the party opposite were on this side of the House.

Mr. Patrick: We heard it every night.

Mr. HUGHES: As an impartial observer I can assure hon. members that the Opposition policy is always that of the Opposition and the Government policy always that of the Government, quite apart from the personnel on the benches. But there is no need to join issue on the policy of making this money available. If we made it available to-morrow, we could put every man on full-time work. We have been in a particularly favourable position compared with the other States. We as a State have no

excuse for unemployment, because we have had a gold mining revival and, as a result, many more men are at work in the gold mining industry. Heavy timber is required for the gold mining industry, causing employment in the timber industry, and the subsidiary requirements of the timber and the gold mining industry are causing activity in the factories of the metropolitan area. I know that some people thought this was the result of individual effort, but that is not so. It has been simply due to the exchange of commodities and the turnover. If we could put 60 per cent. of the unemployed at work, we would absorb the rest in a very short time. We shall be asked, "If you take the financial emergency tax for the relief of unemployment, how are you going to balance the Budget?" I would balance the Budget by increased taxation. Taxation is civilisation. Civilisation is simply the process of taking from the individual his liberty and property for the communal good. We have been told that we are £400,000 a year under-taxed. The Federal Grants Commission in their report, which it is too late for me to quote to-night, deducted £400,000 from our grant because we were under-taxed. If we want another half a million pounds let the emergency tax take its course; let it go on. Let the Minister for Employment pay 2s. 6d. in the pound. I assure him that the more we take from him in financial emergency tax, the less Federal income tax he will have to pay. Like the old doctors of equity, we will purge his conscience by emptying his pocket. Let us pay 1s. in the pound. Would any member be unwilling to do that if he knew it was going in the relief of unemployed workers and necessitous farmers? We want that guarantee. I am told the Legislative Council would not pass the tax.

The Minister for Employment: A couple of members here were grinning like Cheshire cats when you mentioned 10s. in the pound.

Hon. C. G. Latham: And your face grew long when you heard it.

Mr. HUGHES: We could probably explain to the Legislative Council that if we took a lot of this substance from them to-day, they would take a big inheritance for themselves and save a great deal in probate duty.

The Minister for Employment: We will talk to them about it.

Mr. HUGHES: I would not hesitate to take £60 a week from a man who was getting

£120. What can any man do with £120 a week? I ask the opinion of the member for Canning (Mr. Cross) the financial expert. He remains speechless. Take the man on £60. If he paid 5s. in the pound, that would come to £15 a week. I think he would willingly pay that. Anyone would be glad to pay that to feel secure that everyone had at least a decent standard of living. It is no use talking about it unless we do something. It may be said the Legislative Council would not pass the Bill. I do not know when the Legislative Council have failed to do what this House wanted when this House really wanted it. If the Legislative Council became obstreperous, we could go round it, and if it was too difficult to go round it, we could go over it. Let us challenge another place on the financial question. If the Council threw out the Bill, we could take our courage and our political skins in our hands and go back to the electors. We could say, "We have had to go to the country because the Legislative Council will not pass this Bill." If we came back with a majority, as assuredly we would, we could then say to the Legislative Council, "You pass this Bill, or else——" Another place would pass the Bill without any trouble.

Hon. C. G. Latham: They have been very generous to the Government and have passed all their measures.

Mr. HUGHES: It is no use saying the Council would not pass this Bill until we put it up to them.

Mr. Hegney: They did not pass the Bill in 1933.

Mr. HUGHES: They passed it ultimately. Would the hon. member care to take them on?

Mr. Hegney: I would take them on at any time.

Mr. HUGHES: The thing is done. In the Anglo-Saxon Constitution it is a recognised thing that the Upper House shall not interfere with the finances. The House of Lords does not interfere with them. If the worst came to the worst, and we could prove conclusively that the electors were behind the Government, we could appeal to the House of Commons and say, "We are in a cul-de-sac. Will you give the Legislative Assembly of Western Australia the powers the House of Commons has been given against the Lords?" Undoubtedly they would answer in the affirmative. Then we would have the Parliamentary Act of 1911 re-enacted in our Constitution. I assure members from my

experience that the bark of the Legislative Council is worse than its bite.

Hon. C. G. Latham: It is a good excuse.

Mr. HUGHES: If we said to the members of the Legislative Council, after going to the country, "We now have a direct mandate from the people to do what we want," I am sure the Council would look at the constitutional aspect, and say, "God forbid that we should put another Clydesdale blot on the Constitution. Let us act constitutionally this time," and they would give way. It is of no use to say they would stop us, because we have not yet tried.

Mr. North: There are very few tall poppies.

Mr. HUGHES: The hon. member is tall enough to be charged. If our tax as members of Parliament were increased from 9d. to 1s. in the pound it would provide another 3s. from each of us. I agree there are not many tall poppies.

Mr. North: You would get very little revenue that way.

Mr. HUGHES: We would get a lot of money out of men earning from £12 to £20 a week. If we could not get it, we would be able to make the rate a little higher. Men on £5 a week would pay 6d. in the pound if they knew it was for a trust fund to relieve unemployment. I would have a difficult constituency to deal with on the question of wages. I would go back to the industrial workers of East Perth and say to those on full-time work, "You have to pay a little more to keep your fellow-workers on full-time." If we raised another half million pounds in taxation we could then ask the Federal Government for more grants, and following out their principles they would give it to us.

Mr. Tonkin: I thought you did not want the assistance of the Federal Government.

Mr. HUGHES: That is one advantage that we people in humble circumstances of life have over others. Not such an exacting rule of conduct is required of me as is required of the hon. member. I can afford to be a little inconsistent. It is one of the penalties the hon. member pays for greatness. I did not say we wanted nothing from the Federal Government, but that we did not want them to shoulder our responsibilities.

Mr. Tonkin: You said we did not want Commonwealth assistance.

Mr. HUGHES: I said nothing of the sort. I said it was hypocrisy on the part of the

hon. member to lead us, Moses-like, to the promised land, and tell us to apply to Joe Lyons. Whilst the present alignment of powers is there, we want to take every shilling we can get from the Commonwealth. I would not care if I were charged with a hundred inconsistencies so long as I saw every man employed to-morrow. Later on I am going to move the following amendment, but will add a few words to what appears on the Notice Paper. The amendment will then read—

That the following words be added to the Address-in-Reply:—"But we regret that Your Excellency's Speech contains no statement to the effect that your Ministers intend to use the sums collected and to be collected under the Financial Emergency Tax for the provision of full-time employment of those citizens at present on part-time relief work, and for the relief of necessitous farmers."

Mr. Withers: That is an ear-tickler.

Mr. Marshall: You have got them this time.

Mr. HUGHES: As a receiver under the Farmers' Debts Adjustment Act, I have a farm, and year after year I have increased the deficit upon it. I admit that it has been an education to me. I have been forced as a receiver—and as a secretary of an industrial union who is always asking for increased wages—to employ men at 30s. a week and their keep, which latter ran out at 15s. a week; and I owe them three years' wages at 30s. per week. That is terrible. As people who stand up for industrial workers, we should turn our eyes to the farmers. I would be quite prepared to give them a grant. If a farmer cannot afford to employ labour and it is beneficial to the State that a further area should be cleared on his farm—and beneficial it is, for we do not pay our interest in gold but in wheat and wool—I would be prepared to give the farmer a subsidy to enable him to employ labour under proper conditions.

Ministerial Members: Why not give the subsidy to the employee direct?

Mr. HUGHES: Let it be given to the employee direct. I am afraid I shall have to defer discussion of the Yellowdine Gold Mine until some other time, but I do want to refer to two matters which I consider are grave scandals, two things that rank this State as having been governed in the past by gangsters and grafters. This State of Western Australia is a paradise for gangsters and grafters. We have a licensing law. We have three men administering the

Licensing Act. There had been seven or eight petitions for a pub. Personally I would not care if there were no pubs, because I do not drink. I signed a petition because one night a man looking weary and tired came to the house and asked me to sign it. I asked him was it of any benefit to him if I signed. He replied, "Yes; your signature is worth three halfpence." I was flattered, and so I signed the petition. However, it is an extraordinary thing how licenses are granted by the Licensing Bench. Seven, I think, applications were made for a license in Mt. Lawley. Each petition had the required number of signatures. The blocks of land appeared to be more or less the same. All the applications were rejected, till suddenly Senator F. B. Johnston comes along, makes an application, and it is granted without any trouble. I want to know why Senator Johnston can get a license whilst nobody else can. The Licensing Bench to-day is apparently the monopoly of one or two men, and the sooner we abolish the Licensing Bench the better for the honour of Western Australia. Let the matter go back to the judiciary. The members of the Licensing Bench are in a terrible position. They are appointed for three years; and they know that if they do not do as they are told, out they go at the end of the three years. There was an hotel at Nedlands. There was trouble about the license. It was desired to have a picture show at Nedlands. A friend of the head of the Agricultural Bank, Mr. Alec McCallum, wanted to run pictures; but the Town Planning Commission would not give him permission to make the area a business area. Then along comes another gentleman, who wants a hotel. He selected a block of land, to all intents and purposes equivalent to the one on which the hotel was afterwards built. He applied for the license, but in came Senator Johnston again for a license on the opposite corner. Last in was first home: the Senator got the license. But the Minister for Lands, the member for Mt. Magnet, held out on them, not wanting to let them have either the picture show or the hotel. He would not pass the necessary regulation. He held them up for four months before he would let the regulation go. Then something extraordinary happened. There was a strike in Kalgoorlie, and the Minister was out in his electorate

in connection with that strike. The then Premier had returned from New Zealand after his holiday, and Mr. McCallum had got the job in the Agricultural Bank and was due to retire in three or four days. I repeat, an extraordinary thing happened. The then Premier suddenly transferred from the Minister for Lands to Mr. McCallum, who was then Minister for Works, the portfolio governing town planning; and three days before Mr. McCallum retired from public life he reversed the decision of the Minister for Lands and granted leave for the pub and the picture show. Another strange thing is that in the "Government Gazette" announcing Mr. McCallum's appointment as Minister controlling town planning, that gentleman promulgated a set of regulations allowing Johnston to have the pub and his friend to have the picture show.

Hon. C. G. Latham: Is that a true statement?

The Minister for Lands: There is not a bit of truth in it. But it is just like the hon. member.

Mr. HUGHES: Why is it not true?

The Minister for Lands: Not a bit of it is true.

Hon. C. G. Latham: It is a serious thing. There ought to be an inquiry.

The Minister for Lands: This man assumes a lot, but he does not know the facts.

Mr. HUGHES: Put up an independent inquiry, and we will see what are the facts.

The Minister for Lands: I welcome it.

Mr. HUGHES: Why has it not been held?

The Minister for Lands: Because I do not take the slightest notice of your vile slanders. Why should I?

Mr. HUGHES: You have the impertinence to talk about vile slanders!

Mr. SPEAKER: Order! I ask the hon. member to keep order.

Mr. HUGHES: I am sure I am entitled to answer a statement such as that.

Mr. SPEAKER: The hon. member ought to address the Chair. He knows that.

Mr. HUGHES: The statement about the Nedlands hotel is true. The "Government Gazette" issued about two or three days before McCallum's retirement contained McCallum's appointment, and contained the regulation giving the right to have the pub. If my statement is not true, the "Govern-

ment Gazette" is false. It was a strange denouement. It was a strange thing to take the portfolio out of the hands of the Minister for Lands, who would not promulgate the regulations, and transfer it to a Minister retiring from public life who would. In any other country of the world a Minister placed as was the Minister for Lands would have retired as a protest, would have upheld his Ministerial dignity by retiring. That transaction has left a nasty taste in the mouths of the people. The hon. member talks about my statements! The hon. member's colleagues issued a pamphlet slandering me. How did they get on when they had to prove their statements in court? They failed miserably and they stole the workers' money in order to pay the damages. I hope the member for Murchison (Mr. Marshall) will go further with his motion and that he will not only seek an inquiry into the granting of liquor licenses, but will ascertain who are the real licensees, who get the provisional certificates, and who buy the provisional certificates. I think we will then be satisfied that the time has arrived when we should abolish the licensing board, which is under Ministerial control. One hon. member talked about true statements. A member of the licensing board was publicly charged with having given himself a license while he was sitting on the board. That statement was made in a public newspaper worth over £100,000.

Hon. C. G. Latham: But that man was not a member of the board when the statement was made.

Mr. HUGHES: No, but that would not have prevented action being taken against the paper.

Hon. C. G. Latham: That is so, but I was making the point that he is not a member of the present board.

Mr. HUGHES: But an investigation into the whole question will, I am sure, show that it is wrong to place men in a judicial or quasi-judicial position, with the Ministerial axe over their heads every three years. If we are to have a licensing board, then they should be given the ordinary judicial term of office, so that the members of the tribunal shall be free. Let the Minister place on the Table of the House the papers in connection with this business. Let him appoint an independent commissioner to inquire into the operations under the Licensing Act. Let us have a full investigation into matters concerning that Nedlands hotel. If the in-

vestigation proves my statement untrue, well and good, but I know the statements I have made are true. The Minister is very anxious to keep me out of public life, even to the extent of making me bankrupt. Here is a publication of which 20,000 copies have been issued. In it the statements I have made are printed and published. I defy the hon. member to go for me on that statement, not under privilege as was done with regard to the manganese matter, but in court, where we will all be on an equal footing.

Mr. Lambert: That is where I come in.

Mr. HUGHES: Here is the statement I made, and 20,000 copies of the publication have been circulated. The challenge has not been taken up because the Minister knows that it is the truth, and that the facts have been taken from public documents. That shows the extent to which the public life of this State has deteriorated. There is one other matter I want to deal with, because I think it calls for handling by Parliament. I refer to starting-price betting. We know that day by day men are brought before the court for the offence of starting-price betting and have been fined large sums that have aggregated £60,000. We also know that certain people who run betting houses are exempt from prosecution. In East Perth those who conduct some shops are prosecuted, while others are not. For my part, I do not desire any of them to be prosecuted. It is time there was some honesty about our dealings with the betting problem. The Premier of South Australia said last week, "If you take up the morning paper, you can read three-quarters of a column of virtue condemning starting-price betting, and two pages of vice giving the whole information about horses and their prices." We know that a legislator can run a betting shop in this place and in this State without fear of prosecution. The Goodwood racecourse is owned by a Melbourne millionaire and is managed by one of our legislators. We know what goes on weekly and yet there is never a prosecution. Why should those who can afford to spend £5 in going to a racecourse be allowed to do so with immunity? My experience of years ago tells me that a man cannot go to the racecourse for less than £5.

The Minister for Mines: He might not get away for less.

Mr. HUGHES: At any rate, I think the Minister can get there on his pass. When I was younger and used to get the good oil

and went to the races, I considered I had had a good day if it cost me only £5. There are lots of people who have only 10s. to spend altogether. If it is right that people who can afford £5 to go to a racecourse should be permitted to do so, why is it wrong for the man with 5s. to have a couple of bets? If a man gets a thrill in passing money over to a bookmaker, why should we differentiate? Why should it be an offence in Barrack-street to do what is not an offence if done at Goodwood? If we are to stamp out betting, let us stamp it out altogether. There is another point. Why is a fine of £10 warranted at Boulder and one of £60 in Perth, for similar offences?

Mr. Lambert: It is all a matter of degree.

Mr. HUGHES: There are never any prosecutions at Southern Cross.

Mr. Lambert: The people there have no money with which to bet.

Mr. HUGHES: I suppose the poor devils invested it all in the manganese company.

Mr. SPEAKER: Order!

Mr. HUGHES: It is a scandalous thing that before the last election the starting-price bookmakers were promised immunity and sympathetic consideration if they subscribed to the party funds of the Government.

Hon. C. G. Latham: What is that?

Mr. HUGHES: Between them they put up £350.

Member: My God!

Mr. HUGHES: That money was given to the representative of the Government on behalf of their funds.

Mr. Lambert: Can you tell me that man's address?

Mr. HUGHES: Yes.

Hon. C. G. Latham: Statements like that are no joke.

The Minister for Mines: I am sorry I did not get some of it.

Mr. HUGHES: I do not care about the Government asking these people to subscribe. We know that all sorts of capitalists subscribed to the fund so that we might hear members over the ether. That money did not come from the workers. I am sorry the Minister for Employment (Hon. A. R. G. Hawke) did not take up my challenge when I offered to show where I got certain money from if he would provide a full list of those who subscribed to the Labour Party's expenses. We know that open confession is good for our souls.

Hon. C. G. Latham: You know that some wild statements were made.

Mr. Marshall: Who is making this speech?

Mr. HUGHES: We do know that at the time of one election a junior police officer, who was a member of the starting-price betting squad, said to his sergeant, "Shall I be wanted?" The sergeant replied, "No, it is a close season for a couple of weeks. There is an election on." No one was prosecuted for a fortnight. It is decidedly unfair that the starting-price bookmakers should be induced to contribute to the funds of the party opposite on the understanding that there will be no rigid enforcement of the law against them. They should not have the law enforced against them so long as one of our legislators is permitted to run a private betting concern. We should tackle the betting problem and say definitely whether we shall allow betting to be indulged in. Personally I would not be agreeable to permitting proprietary racing clubs at all. They should be abolished and the W.A.T.C. should be the only body allowed to conduct racing.

Mr. Lambert: Now you are on sound ground.

Mr. HUGHES: At last I am on sound ground!

Mr. SPEAKER: Order! The member for Yilgarn-Coolgardie will cease interjecting.

Mr. HUGHES: The reason why I suggest the W.A.T.C. should be the only body to conduct racing is that it is not a proprietary club and whatever profits are made from racing go back into the sport.

Mr. Lambert: Hear, hear!

Mr. HUGHES: Therefore the only way we can tackle this betting question is to say whether or not we shall allow private individuals to indulge in it. Whatever may be decided, the law should be rigidly enforced because we cannot blame men for being discontented if they are hauled up and fined £60 when they know that others across the street are allowed to do the same thing with impunity. I have seen betting shops in South Australia. There are many objectionable features about them. The Government there is tackling the question. Their great trouble in South Australia, is that there are too many betting days; every day in the week is a betting day and the tendency is to restrict the betting days and so cut out more or

less the objectionable features of the system. The Press is the problem in South Australia. The leading paper attacks the evil of betting shops. The authorities say, "All right, will you assist us to stamp out betting by not referring to the down-the-line meeting?" Then the paper refers them to the broadcasting people, whom the authorities approach, after which they go back to the newspaper where they are told there is a change in the editorial. Presently, they may require legislation to control the betting information that is disseminated by the Press and over the air. Of course no one regards the starting-price men as criminals. I know legislators who go into betting shops occasionally and have a bet.

Mr. Marshall: I know some of them who are seldom out of such shops on betting days.

Mr. HUGHES: But it is very unfair when a political party approaches the starting-price men and gives them to understand that they are buying immunity from the law. I say that whatever they were promised they ought to get. Then even a junior police officer knows that there are certain people who are taboo and must not be touched, and so passes them by. One police officer said to me, "I could go on to a proprietary race course and arrest the proprietor, but I could then pack my port for Broome the next day. Whether that is so or not we do not know, but we do know that for years past there has been no enforcement of the law against proprietary race courses. Moreover, the police court is not an instrument of justice so far as the betting law is concerned, but an arm of our revenue officers. It is ridiculous for the Commissioner of Police to say that he could not stamp out starting price betting if he wanted to, for we know that he could take a squad of men and accomplish it in three weeks. But the people themselves want this form of betting, and personally I do not see why a man with only a few shillings who wants a bet cannot have it, the same as a man with more money. As a matter of fact, I have entertained hopes myself of getting some economic relief by means of winning one of our lotteries, but it does not look so good now. In conclusion, I want to thank

members for the very patient hearing they have given me, a newcomer, and I move—

That the Address to His Excellency the Governor be amended by adding the following words:—"But we regret that Your Excellency's Speech contains no statement to the effect that your Ministers intend to use the sums collected and to be collected under the financial emergency tax for the provision of full-time employment for those citizens at present on part-time relief work, and for the relief of necessitous farmers."

Mr. HILL: I formally second the amendment.

THE DEPUTY PREMIER (Hon. M. F. Troy — Mt. Magnet on amendment) [11.7]: I do not propose to address myself to the amendment at any great length for I intend to speak to the motion at a later stage. If ever there was a futile amendment moved in this House it is the one now before the House. From what I have heard I thought the hon. member had something vital to move as an amendment, but all he does is to move this futile provision expressing regret. He just regrets; he does not say that the Government have not done in the past what he now suggests they ought to do. He makes no charges. He takes up three hours to-night with heckling and scolding and vilifying members of the Government, and now he moves this peurile amendment which will not give the people for whom he speaks in the amendment one shilling of relief; because every penny collected by the Government from the financial emergency tax is already used for the service of the country in providing work for the unemployed. This amendment would not and could not provide for one penny more. So after all his protest the hon. member merely expresses regret and does not propose that one penny more shall be found; for as I say we are already spending every penny of the tax. I do not think I have ever been so humiliated as I have been in listening to the speech made by the hon. member to-night. His remarks might be all right in East Perth where people perhaps are prepared to believe them, but that sort of vilification cannot do any harm to any honest man. He has made many statements against the Government, but his mere statement does not establish any facts. The hon. member asked why did I not take action against him when he made some reference to me in East Perth. But why should I take action? He

made no charge of corruption against me and so far as I know he never has done. He merely states on his own base assumption that I resisted certain things and was deprived of office because I resisted them. He does not accuse me of being corrupt about it, but merely says I was weak. He does not know all the facts.

The Minister for Employment: And does not want to.

The DEPUTY PREMIER: He talks about his philosophy of life. I make this forecast that ten years hence his philosophy will be bankrupt, because this type of man cannot survive.

Mr. Hughes interjected.

Mr. SPEAKER: Order!

The DEPUTY PREMIER: Is it possible that this type of man can come into the House, hold himself up as the only virtuous man in the whole community and class the rest of us as a lot of thieves and scoundrels? Does he expect to get away with that sort of thing, that he is so extremely virtuous, and that every man but himself is vile? It is not possible to have such excellence; it is not human nature. What are the facts about the hotel at Nedlands and my association with the subject? I was never asked to approve or reject any application for a hotel. He gave me the credit of resisting interested people. I do not want his eulogy. I refuse to have it. I was never consulted regarding a hotel at Nedlands, and the matter was never determined by me as Minister for Town Planning. This man has built up a case on his own vile assumption. He is a vile type, and he has no case. That is No. 1 charge. He made another charge. He said that Mr. McCallum blackmailed Mr. Collier. He said Mr. McCallum put a gun at Mr. Collier's head and made him appoint him as Chairman of the Agricultural Bank.

The Minister for Employment: That is a lie.

The DEPUTY PREMIER: It is a lie.

Mr. Hughes: It is not, and you know it.

Mr. SPEAKER: Order! Will the Minister resume his seat. I appeal to the member for East Perth to keep order. I gave him every latitude, and allowed no more interjections than possible, and I intend to do the same for other members.

The Minister for Employment: He is a squealer.

Mr. SPEAKER: Shut up! The Minister may proceed.

The DEPUTY PREMIER: Yes, Mr. Speaker, you gave him every latitude. I could have risen to a point of order long ago, because Standing Order 132 provides that no member shall digress from the subject matter of any question under discussion, and all imputations of improper motives and all personal reflections on members shall be considered highly disorderly. I did not raise the point: I allowed him to proceed. Let him get rid of his bile. Then perhaps he might feel better, and more decent. He said Mr. Collier was blackmailed by Mr. McCallum. He says he knows that. Did he tell the people of East Perth that he knew it? Did he convince them? I am afraid he did. Mr. Collier was not blackmailed by Mr. McCallum. That is a wretched suggestion. Mr. Collier did not know a word about it. I told him when he returned from New Zealand that I had asked Mr. McCallum to take the appointment, but this man says he knows that Mr. Collier was blackmailed and the appointment forced from him. He says Mr. McCallum put a gun at Mr. Collier's head. He does not know the facts, and does not want the facts. I know the facts, and I say that he does not tell the truth. His statement is a vile slander. He asked why action was not taken in the courts. I regret that I have to be associated with him here. In the courts where he revels as a common informer, I should refuse to meet him except under compulsion. I hate to think that I have to meet him here. I am convinced this man cannot get away permanently with that sort of slander. He talks about organising a movement to bring the Federal Government to their knees. He has been in dozens of movements, and fought every one of them. He could not agree with the members of any movement for ten minutes. He tells us he runs a farm, and it is in debt. That is his history—everything he is associated with he gets into debt. When he wants money, he becomes a common informer and glories in it. There is no man in this House, scoundrels as he states we are, who would have him on his mind. I have shown this House and these people who have come to listen to their hero, their great hero, what a great hero he is. He reminds me of another man in Australian politics, an Eastern States man. I know the history of that man. He was always telling the community other public men were scoundrels. Every man was a scoundrel.

drel but himself. He even poked his nose into the domestic affairs of people. His own were absolutely rotten. He would hold men up to public derision, yet his own life was perfectly rotten. In my younger days I thought he was the strong man of the State, but he came down with a thud because people found him out. Is it possible that in all the history of this Parliament, after all these years, we have discovered the one virtuous man in the whole community, and the rest are a lot of scoundrels? When I speak to the motion, I shall have something more to say to him.

The Minister for Employment: So shall I.

The DEPUTY PREMIER: He says Mr. McCallum blackmailed Mr. Collier. There is no truth in it. If he has any courage, let him go outside and say it on a platform, and refrain from bankruptcy when he has to pay the damages. He was a hero because he secured Mr. Clydesdale's money. There was no manly reason why the member for East Perth should be an informer on Mr. Clydesdale. Mr. Clydesdale had done him no injury, but he wanted Mr. Clydesdale's money, and when Mr. Clydesdale won the case after appeal he could not get back his own money. This man poses as a hero because he would not give the money back to the man he took it from. What are we coming to in this country if his standards are high and our standards are low? What are we coming to in his topsy-turvy world if his standards are the highest and ours are the lowest in the land. Our whole morality has undergone a revolution. He did not dare to charge me with corrupt action. My administration will bear investigation. I have never refused permission for the establishment of a hotel at Nedlands, because I was never asked to give such permission. But he says he knows that I have been asked: he knows all about it. He told East Perth and the public so. As he got away with it in East Perth, he thinks he can get away with it here. If he wants a Royal Commission let him get it. If he wants a Select Committee, let him get it. This House will clean him up before he has finished. Members opposite may applaud him because he embarrasses and slanders the Government, but they do not and cannot respect him. He may damage the reputation of the Government and this may to them be thought to be quite

a fair procedure, but members opposite cannot have any respect for him. No one can appreciate his insinuations. What he insinuates are facts he published in East Perth, and bruited abroad from the public platform. There is no truth in them; they are damned lies. To-night he vilified the Premier (Hon. J. C. Willcock). Every man in the House knows there is no finer gentleman, that he is noted for the moderation of his language and decency. He is liked by everyone in the House, but not by the member for East Perth. That is not extraordinary, because I do not think he likes any decent man. He will certainly not like me after this. The Premier stands high in the reputation of every member of the House with whom he has been personally associated. Every man who knows him appreciates and respects him, but the member for East Perth called him everything that was vile, although no member could subscribe to what was said. The Premier never used the word "bludger." The interjection was not made by him. He was very hurt about it, and said he had never used the term. Every member who knows him will understand that he could not have used it. The expression got into "Hansard." Many interjections are not reported correctly by "Hansard." The Premier was very pained about it, and spoke to me personally regarding it. He does not use that type of language. The member for East Perth in his own electorate broadcast a lot of old scandal. I challenge him to make a public statement, and take the risk of it, that Mr. McCallum blackmailed Mr. Collier and induced him to appoint him as Agricultural Bank Commissioner. Mr. Collier knew not a word about it until he returned from New Zealand, when I told him I had approached Mr. McCallum and asked him to take the position. The member for East Perth has led the poor fools in East Perth to believe that Ministers have robbed the country of £171,000. Let him move for an appointment of a Royal Commission, and we will give it to him. We will test all his scandalous statements.

Mr. Lambert: Every member knows how false they are.

The DEPUTY PREMIER: One cannot but be astounded that such phenomena occur in politics, that men can get away with a campaign based on vile scandal, and secure election to this House. It does

occur occasionally. This House is supposed to represent all the people. It does, and the hon. member knows the type he represents. Long before Parliament met he was preparing this speech. He has all his friends here, those who have been deluded by him. He has moved a pious resolution which does not give his friends 1s. Every penny that the Government receive by way of revenue or loan is used for the unemployed and the payment of the services of the country. The total revenue received by the State last year was £9,500,000. The financial emergency collections amounted to £820,000. The revenue pays all the services of the country, and provides for education, interest £3,500,000, child welfare and unemployment relief, £84,000, and so on. Every penny of revenue received by the State is expended in services or in work. The Loan Council has loaned to this State £2,350,000. The suggestion that the financial emergency tax is sufficient to place all men, depending on the Government for employment, on full-time work shows entire ignorance of the position. Our revenue is barely sufficient to meet our expenditure. The great bulk of the men employed by the Government are employed on works financed out of loan. These loans come from the Loan Council. Before the commencement of the financial year a meeting of the Loan Council was held, and each Government was allowed a certain amount of loan money based on the total amount it was possible to raise each year. If the money collected from the financial emergency tax was used for giving full-time work on all Government works, the deficit created by that would have to be recouped from loan funds. We would have to take from loan funds a similar amount to meet the deficit on the revenue account, and we would be as we were. And so the position would be the same. There is not the slightest difference whether the money is taken from the financial emergency tax or from Loan funds. So the position would not be improved by the passing of the hon. member's amendment. The amendment is absolutely puerile. It does not provide for the expenditure of a shilling. It cannot, because the Government have spent every penny of the money, except that last year there was a surplus of £50,000, which is now expended also. So every penny of the money from the financial emergency tax and every penny of the money borrowed has been given

to the service of the State and to provide employment. That position cannot be affected in the least degree by the amendment moved by the member for East Perth.

On motion by Hon. C. G. Latham, debate adjourned.

House adjourned at 11.32 p.m.

Legislative Assembly.

Tuesday, 1st September, 1936.

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

FEDERAL SENATE—VACANCY FILLED.

Mr. SPEAKER: I desire to report that at a joint sitting of both Houses, held in accordance with the requirements of the Standing Orders, Mr. Thomas William Marwick was duly elected as a Senator in place of the late Senator W. Carroll.

ADDRESS-IN-REPLY DEBATE.

Apology by Mr. Speaker.

Mr. SPEAKER: I wish to take this opportunity to refer to what was, to me, a very unfortunate episode during last Thursday's debate on the Address-in-reply. During the course of the proceedings, I found it necessary to call the Minister for Employment to order, and in doing so I used some very undignified language, from the point of view of the Speaker. I offer no excuse whatever, as the language was both unjustifiable and undignified. I simply wish