

form is concerned, the time of promising has passed. If I do not do it, I do not wish to stop here. In regard to the point raised by the member for Guildford (Hon. W. D. Johnson) concerning the Industries Assistance Board, the Minister for Industries and I have talked it over. In respect of any work this State is doing to assist production I want to feel that the people being assisted are going to benefit; I want to feel that the work makes it an asset to the State and to the men who are assisted. It is strange that the member for Guildford should voice almost in the same words what the Minister for Industries and myself have already said. We do not care who examines this so long as it is a practical man. If we are employing men in a direction for which they are not fitted, we are wasting an economic force which ought to be put into something more profitable.

Question put and passed; resolution reported, and the report adopted.

Supply Bill introduced, etcetera.

Resolution in Committee of Ways and Means having been passed a Supply Bill was brought in providing for the expenditure of £2,226,000.

Bill passed through its remaining stages and transmitted to the Legislative Council.

BILLS (2)—FIRST READING.

1, War Council Act Amendment.

Introduced by the Colonial Treasurer.

2, Melville Tramways Act Amendment.

Introduced by the Minister for Works.

PAPERS—DISMISSAL OF J. FLOOD.

On motion by Mr. FOLEY (Leonora) ordered: "That all papers dealing with the dismissal of J. Flood from the State Hotel, Gwalia, be laid on the Table of the House."

The Attorney General laid the papers on the Table.

House adjourned at 10.19 p.m.

Legislative Council,

Wednesday, 25th July, 1917.

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

QUESTION — HOUSE RENTS, FREMANTLE.

Hon. R. J. LYNN asked the Colonial Secretary: 1, Is he aware that in Fremantle some landlords are attempting to raise the rent of their properties to tenants, even to the extent of 100 per cent.? 2, If so, will the Government bring in legislation to prevent these exorbitant demands being made during the currency of the war?

The COLONIAL SECRETARY replied: 1, No. 2, If particulars of the alleged attempt are supplied, the Government will consider the desirableness of acting in the direction suggested, or of appealing to the Federal authorities to take steps under the War Precautions Act.

QUESTION — WHEAT MARKETING SCHEME.

Allocation of Losses.

Hon. H. CARSON asked the Colonial Secretary: Does each State bear its own losses in the wheat pool?

The COLONIAL SECRETARY replied: Yes. Up to shipment.

BILL—SUPPLY, £2,226,000.

Received from the Assembly, and read a first time.

ADDRESS-IN-REPLY.

Third Day.

Debate resumed from the previous day.

Hon. J. E. DODD (South) [4.38]: I desire to congratulate the Colonial Secre-

tary on retaining office in the present Ministry, and also Mr. Baxter on his assuming Ministerial rank. Personally, I regret very much that the Official Labour Party are not represented in the Government. I think it would be far better if we had a Government representative of the whole of the parties at present in politics, and therefore I am sorry that the Official Labour Party did not see their way clear to join the Ministry. To my mind, the present Ministry is much more representative of the various political parties than was the Ministry which has been displaced. It seems to me that there are overwhelming reasons at the present time why we should sink, as much as we can, our party aims for the common good. A good deal of silly sentiment, however, has been talked about Nationalism, sentiment which would have been much better left unexpressed. It appears to me that Nationalism to-day is a sort of panacea for almost all opportunists to help them to get a lift into Parliament or into some public position. Undoubtedly a lot of nonsense has been talked about Nationalism. At the same time, I maintain, some effort has been made, with partial success, to bring about a National Government. The same may be said of all parties, and especially of new parties, that has been said about Nationalism. I do not know of any party of which, on its coming into being, it might not have been said that it was a refuge for a good many opportunists. Until the war is over, it seems to me, there are really only three problems to which we should devote our attention. The first is to do the best we can for the Empire, the second to do the best we can for those who are fighting in our defence, and for their dependants, and the third is to try and adjust the finances in the most equitable manner possible. If we devote our attention to those problems we shall, I think, be doing all that may be reasonably asked until the termination of the war. There are many other matters requiring solution which can be solved by administration. We can very well devote all our efforts to the solution of the three problems I have mentioned. In my opinion, the late Liberal Government failed dismally as regards doing anything to stem the deficit. They were told on many

occasions that they were not going to do it by economy alone. The late Liberal Government found out, on assuming office, that they could not carry out the promises which they made. We can no more do away with the deficit by economy than we can fly to the moon. We must have additional taxation, and to impose that taxation in as equitable a manner as possible is the task of the present Government. I may again direct attention briefly to the change which, to my mind, is necessary in railway policy. I believe that if that change were brought about much would be done towards stemming the deficit. Last session I submitted a motion on this matter, and I am just as firmly convinced as ever that it is imperative something should be done. We cannot possibly go on with our present railway policy. The users of the railways are compelled to pay all charges—interest charges, construction charges, and everything else—while the men who are largely benefited by railway construction in increased land values go scot free. I may mention one instance which has been fairly prominent during the last few months, the deal made by the Perth City Council for what is known as Perry's land. Here is land in practically a virgin state, hardly anything having been done to make it valuable, which is sold by the owner to the Perth City Council at £13 per acre, the value having been created by the people settled around the land and also by the expenditure of public money, notably on railways. Again, the large area of land which is held out of use close to the railways would, if a tax were placed on unimproved land values and railway freights reduced, it would be brought into use. I sincerely hope the present Government will not go on with the scheme of settlement at Nornalup while there are close to the railway system so many thousands of acres which could be used. I entirely agree with what Mr. Sommers has stated, namely, that Yandanooka and certain other places could be more profitably set apart for the soldiers than can the country at Nornalup. The idea of spending at a time like this, even for repatriation, something like £200,000 in a railway to the Inlet, and I suppose another £100,000 in settlement, is to my mind the height of folly! It is the very furthest we could take them

from a market, and this, too, when we have so much unused land lying alongside existing railways, land that could be utilised for the purpose. It would be absolute murder to send our soldiers to Nornalup. In reference to this matter I might direct the attention of the Colonial Secretary to the terribly high cost of railway freight on all material which the pioneer miner, the pioneer prospector, and the pioneer farmer have to pay. The other day a farmer at Wyalatchem, in the Colonial Secretary's constituency, told me that the freight on bricks for a house he was building cost considerably more than the bricks themselves. I do not know how far Wyalatchem is from the City, but it is not a very great distance. How settlers can be expected to improve their holdings by the erection of houses and outbuildings with such terribly high freights to meet is beyond my comprehension. The same thing applies with tenfold force to the pioneer prospectors in the back areas, Laverton, Leonora and the Murchison. If only we could pay the interest on the railways from land values taxation, or at least make it a national charge, instead of imposing it on only the users of the railways, it would encourage settlement, not only in the farming areas, but in the mining districts as well. As a member for the South Province, I desire to take this opportunity of expressing my pleasure at the report of the Royal Commission appointed to inquire into the Esperance lands question. I, for one, was under the impression that that Commission was appointed, probably more with the object of killing the railway than of recommending its construction, and the Commission's report is indeed pleasing to us who represent that part of the country. Also I sincerely hope that the present Government will see that the railway is built as soon as ever funds are available. In that district something could be done towards settling our soldiers when they return. The Esperance lands are easily cleared and easily worked, and I believe that as much success will attend the opening up of the mallee country in Western Australia as has attended it in the other States. I approve the recommendation of the Commission that we should get from South Australia

or Victoria a man with special knowledge of the mallee lands, in order that he might teach those going into the mallee how best to work it. If the Government will but give effect to that recommendation we shall have a new province opened up very shortly. I would also direct attention to the fact that we have 60,000 acres reserved near the Golden Mile for worn-out miners. I hope something will be done in the direction of giving effect to the policy represented in that reserve. Probably there is not now so much demand on the part of men tired of mining to get away from it as there was before the war, but immediately the war is over we shall again find a lot of men anxious to escape from mining and take up some other employment. The men who have given the best years of their lives to the service of the State, even in the capacity of miners, deserve the best we can do for them. To my mind, there is nothing more pathetic than the man who has worn out his energy in mining; if we can put him on the land before he has worked too long in the mines, we shall be doing something not only for his benefit but for the benefit of the State also. Every effort should be made by the Government to limit the cost of living, every precaution should be taken to keep down increases. The question asked by Mr. Lynn shows what is being done by unscrupulous persons in the direction of increasing house rent, and even though it means a certain amount of State interference, it would be well, while the war continues, to do something to limit the increasing cost of living. However much members may be inclined to declare that the laws of supply and demand should operate in normal times, it is very different in time of war. What may be justifiable in peace time cannot be justified in a time such as the present. I hope something will be done to prevent the cost of living going any higher. In regard to the education problem, Mr. Stewart gave us an interesting address, principally devoted to that question. I am glad to notice the advocacy by the Colonial Secretary of the Government, as employers, and all other employers, allowing their apprenticed employees to attend technical schools at some time during the 48 hours. If that principle is adop-

ted it will solve to a great extent the laxity of students at some of our technical schools. In this country, it would seem, everybody wants to get the best out of life in regard to sport, and it is very hard to get young chaps to go to school at night time, after having been hard at work all day. In many other countries where the climatic conditions are different, as for instance in the countries of Europe and in Scotland and England, students devote more of their time in the evening to technical education than we do here. Here, as I have said, we have a different climate, but if the principle of allowing apprentices to devote certain time to education could be put into effect, I am sure it would help us very much. In regard to the liquor question, I was pleased to hear the remarks of Mr. Sommers. It has always seemed to me a crime that we should be spending over £50,000 per week in liquor, at a time like the present. To me it is horrible to contemplate a record such as this. I hope the Government will be able to place some remedy before us during next Parliament. The suggestion made by Mr. Boan might help to get over the difficulty. I hope every effort will be made to foster the mining industry, because if only we could strike a decent mining field, it would be the best and most immediate remedy for many of our difficulties. I have always said that there are millions of tons of ores that could be worked if our conditions were somewhat different. I know that some of the existing conditions we cannot alter; for instance, we cannot alter the Federal tariff. But we can do something with the railways, and if only we could reduce the cost of freight on ores there is in my constituency alone millions of tons awaiting treatment; indeed over a very big part of the State there are enormous quantities of auriferous metal yet to be opened up. In the Governor's Speech reference was made to the war. I am of opinion that had it not been for some of the speeches made by certain of our statesmen, Empire and Australian, we should have been very much nearer the termination of the war than we are. When we talk of entering into an economic war after this is over—before we know whether we are coming out on the right side of the present conflict—

when we talk about a trade war after we have finished the military war, we do more to strengthen the German nation against us than anything else we have done, and I think the sooner that talk is abolished the better. Since our last meeting we have had many changes in politics. Some of us have severed connection with our respective parties. I for one am standing to-day as expelled from the party with which I have been connected ever since I was 15 years of age. But although I may be an expelled member of the Labour party, there is no Labour party under the sun that can expel me from the Labour movement, and I stand here to-day holding the same convictions as I have always held, with the addition of those other convictions which have been forced upon us by the war. Once again, I hope that, in the forthcoming elections, we shall not see so much party feeling exhibited as we have had in the past. I think it is time that we should all work together for the common good, and the sooner we drop party tactics, at least until the war is over, the better for all parties concerned.

Hon. A. SANDERSON (Metropolitan-Suburban) [4.58]: The death of Mr. Cullen and of Mr. Jenkins has brought personal sorrow to us all. At the same time I am sure we all welcome the new members. Mr. Boan comes to us with "mana," which is something more than mere reputation. All New Zealanders must know what that word means. I would like to have heard a little more from him on the Address-in-reply, but probably, with that sagacity for which he is well known, he is not, at the commencement of his political career, going to indulge in prophecy or any extensive programme, but will be content to wait a little, after which, I trust, he will give us the full benefit of his opinion on the affairs of this country, because the one question in public affairs on which we would like to hear as candid an opinion as possible is finance. The Governor's speech dealt with nothing else but the financial question. I say it is fortunate that we have a member of the Nationalist party recently returned here and also a member of the Country party, because this Chamber is not so rich in representatives of these two parties that it can afford to disregard them. Party questions were touched upon

by the last speaker (Hon. J. E. Dodd). He has been expelled by his party, so he told us. I stand here, as I have always stood, a Liberal and I shall continue to be a Liberal, and from all I see of the affairs of this country it is not a question of abolishing party Government, but having sound principles to which members will stick.

Hon. W. Kingsmill: The definition of party.

Hon. A. SANDERSON: The one un-failing admiration I have for the Official Labour party—for I have little in common with them—is that, through good report and ill report, they do stick to something; but I fail to find what members in another place stick to.

Hon. W. Kingsmill: They do stick to something.

Hon. A. SANDERSON: It would be interesting to follow the kaleidoscopic changes which we have seen. There is a spice added to parliamentary debates by personal touches. I should be the last to suggest that we should not have these touches of garlic, but I am prepared to put them on one side and address myself to the one question, that is the financial position of Western Australia at the present time. It stands to reason that the opinion on the war—your opinion, Mr. President, my opinion, the opinion of every member, must practically be the same. I am not going to refer to that. I am going to deal wholly and solely with the financial position of Western Australia and what is the best way and the proper way to get out of the difficulty. Who got us into this financial difficulty? I am taking a wide view of things. I am not dealing with petty matters, such as the abolition of *Hunsard*, or stopping the Esperance railway. Who got us into these difficulties? I say, who got Western Australia into the position in which we are to-day? Those people who urged Western Australia to go into Federation 17 years ago! Those people are primarily responsible. The present Treasurer, Mr. Gardiner, and—I do not know what he calls himself now, but he sits on the cross benches—Mr. Frank Wilson. Those persons have the audacity to tell us they are going to be our saviours. I do not say they are wholly responsible, but they

put Western Australia, nearly 20 years ago, in an impossible position from a financial point of view. I think I can satisfy the leader of the House on that point. Whether rightly or wrongly, I put it forward. I do not wish to go back into past history, but how can we trust in the judgment and intelligence of men who led the country into the position those gentlemen did? I do not trust them; I do not trust their judgment in the present position of affairs. What do we find? Last night in another place I venture to say that we have never heard such an appeal from any Treasurer in any part of the British Empire. With broken voice and impassioned utterances he at last has discovered that two and two make four, and then closing his eyes, he hopes perhaps even now there is a quarter on the other side. We do not want rhetoric and impassioned addresses when dealing with the financial question. It is a matter at which we should look coolly. I wish to endeavour to put my position before hon. members, not with the idea that I am the saviour of the country—such blasphemous statements that members outside the House talk about—but it is just 25 years ago since I was the observer of another financial crisis. In 1892 I was in New Zealand, and what was the difference between the financial crisis in the Eastern States and New Zealand then and the position of affairs in this country now? At that time it was the Government that came to the assistance of the financial institutions, the banks, and private people, and at a time like this, in this crisis with which we are dealing, unless it were for the financial institutions and the banks, where would Western Australia be to-day? From the beginning to the end of my remarks I am not going into details, I am going to put a very interesting proposition to my electors through you, Mr. President before I have finished. I shall deal with one or two important points, and then submit this proposition to you and it will be interesting to see how my electors regard it. In six months time there will be an election for this Chamber—one-third of the members of this Council will have to go before the electors. I am not making an election speech but I am going to deal with the financial position of Western

Australia. Take the position of the Federal Government and the criticisms of our Treasurer, and the leaders of public thought in this country, and what do they say? They are attacking the Federal Government for their treatment of Western Australia. Who is the Treasurer of the Commonwealth? Sir John Forrest, and is there one man in the whole of Australia who would do more if he possibly could for the State of Western Australia than the present Treasurer of the Commonwealth? Is there anyone in this country who has been so intimately acquainted with the ramifications of Australian finance, State, Federal and private? Is there anyone better qualified than Sir John to give an intelligent criticism and opinion on the position of affairs? And further, is there anyone more anxious to help this particular State than Sir John Forrest? We all know there is not. We could not find a more sympathetic Treasurer, who knows the position of affairs. His public duty is to the Commonwealth of Australia and we may be perfectly certain that whatever his proposals are, he has most carefully considered them and we may be perfectly certain he has given as much as he possibly could to Western Australia. We may take that as an axiom. Yet we find this violent and malicious and unfair attack on the Commonwealth Government and the Treasurer of the Commonwealth Government, Sir John Forrest. I am not going to quote at length many figures, but I am going to quote three sets of figures. I wonder if members have had time to read those figures because no one seems to have had time to do anything of the kind. I met twelve men in the street to-day and I asked them if they had read the speech by Sir John Forrest and none of them had done so. That was the reply I got from them all. We cannot begin to understand the position of Western Australia until we have read carefully the speech delivered by Sir John Forrest and published in the *Commonwealth Parliamentary Debates* of the 14th June, 1917. I may be permitted to refer members to this. It is an unbiassed, unimpassioned statement of the financial position of the Commonwealth and there are some references to the States, and this is how Sir John Forrest spoke—

The position now is that on the one hand the Commonwealth has undertaken to raise the money for the States—
Everyone is acquainted with the charges which the State Treasurer is bringing against the Commonwealth on this question of loan money advances. I assume that. If anyone wishes to get the details, they are to be found in this debate, but I am assuming that every member knows the criticism which has been made by our Colonial Treasurer. Sir John Forrest said this—

The position now is that, on the one hand, the Commonwealth has undertaken to raise money for the States, and, on the other hand, there will shortly be large sums due by the States to the Commonwealth.

Now these are the remarks I particularly wish to emphasise—

These two equally binding obligations must be set against each other, and this fair and reasonable arrangement has been communicated to the States concerned. Queensland did not receive any portion of the £18,000,000, and New South Wales is not a party to the agreement of 6th November, 1915.

We have had warning after warning on this question of loan moneys: warning after warning during the last three years. The British Government has been most generous. I am dealing particularly with Australia, and Sir John Forrest admits that the British Government has been most generous to Australia and in view of all the circumstances, the Federal Government has unquestionably been as generous as they could be to us here in view of their responsibilities to the rest of Australia. I am not going beyond that. If we think of the liabilities and responsibilities which the Commonwealth has on its hands at the present time, and if we recollect that the war is not yet finished, we cannot expect to get much from the Commonwealth. We must admit that the Federal Government have been most generous to Western Australia. Another aspect which must be considered, if hon. members are going to grapple seriously with the position of affairs as it exists, is that of the tariff. Do not imagine that I am going to launch forth into an expression of my fiscal views this afternoon,

but I do say, and without fear of contradiction from any school of thought, that the fiscal question has a most important bearing on the finances of Western Australia. I have said this before and I do not want to overdo the part, but I really do wish to emphasise the point that, without a consideration of the tariff, it is quite impossible to find out where we are and what is going to happen to us later on. The railway return which I got showed that £300,000 was paid by the Railway Department to the Federal Customs Department between 1901 and 1914.

The Colonial Secretary: Duty on construction material.

Hon. A. SANDERSON: Yes, I suppose that would be the bulk of it. It would be of interest to get the details. Take for the sake of illustration any article that they may require—say a bottle of ink. It may be that they import ink themselves, or it may be that they buy their ink in Hay Street. The difference, however, is this: that, if we took all the money that they pay to the Federal Government directly and indirectly, it would be a very much larger sum than £300,000. I do not wish to attach too much importance to any one particular item.

Hon. J. W. Kirwan: The Federal Government have also paid a large sum of money to the State Railway Department for the carriage of material.

Hon. A. SANDERSON: I admit that and follow the hon. member, but I am not going to be drawn away from my argument at the present time. The hon. member's interjection does not affect my line of argument. I am dealing with the finances of the State, and here we have a specific case where we can get the exact figures, and which have been shown to us to be £300,000. That, however, is a comparative bagatelle to what the Railway Department themselves, and individuals in this State, have paid to the Federal Government by way of Customs duty during the past seventeen years. That explains the origin of the Country party, and they have many more supporters so far as that plank is concerned than they think they have. It is simply a matter of finding out the position of Western Australia. It is fair and legitimate to say

that we are really bleeding internally. That is to say we are paying away huge sums of money through the Customs even when we do not import goods ourselves. If we paid for our goods as we do for theatre tickets with the tax plainly marked, it would mean in some lines something like 1s. for the articles and 6d. for the duty to the Government. That is not an exaggeration. The people of this country, and even the farmers themselves have found it out, and it is one encouraging sign that it has penetrated the dense bucolic intellect. They have found out that they are being robbed. The figures that I am going to read are of value and, I think, of interest. I do not, however, wish to put too much weight on them, and I do not wish to prove too much by them. I simply intend to put them before hon. members as I have put them before myself, and ask hon. members, as I have asked myself, "What do these figures indicate"? We all remember the war wealth census forms that had to be filled in. These returns were made up, but, insofar as my interpretation goes they increase rather than lessen the interpretation that I wish to put on the figures, for the reason that they have not been brought up to date, and, therefore, they must be scrutinised carefully. But the difference between the wealth and the public debt of Western Australia is the point at issue, and I think most people will admit that the public debt, since these figures were sent in, has increased and, speaking generally of Western Australia since the figures were sent in, the private wealth has decreased. But it does not matter much whether that is so or not: it is, however, my impression. I am going to read the figures giving the private wealth in Western Australia and in the other States as shown by this Federal return, and also the national debts of the various States. Western Australia is the only State where the private wealth, as shown by this return, is less than the State national debt. If we are to place any reliance on these figures we can assume that all the returns have been treated approximately on the same basis, and we can also fairly assume that Mr. Knibbs, who is in charge of that Department, has given us figures which are approximately correct. On the 30th June,

1915, the aggregate private wealth in New South Wales was 290 millions and the public debt was 127 millions. The private wealth of Victoria was not as much as in New South Wales. That State had 234 millions, but her debt was only 73 millions. The private wealth of Queensland was 76 millions and the national debt 56 millions. South Australia's private wealth totalled 96 millions, and the national debt 35 millions. Now, coming to Western Australia, be prepared for a shock. The private wealth here is 34 millions, and the public debt 37 millions. That is to say, Western Australia is the only State in the Commonwealth where the assets of the private people are less than the total State debt. Let me protect myself. I do not want to put too much weight on these figures, but I say they are significant, and they should be carefully considered. I am not attempting to paint the position of Western Australia worse than it is; rather the reverse. I protest most strongly against what appears to me like panic legislation, and panic fears in regard to the position of this country. I think that, under a proper system and freedom, things could be put on a most satisfactory basis, but it requires a large amount of capital, and the proposition is not an easy one to handle. As for this panic legislation, and this extraordinary outburst of an agitated Colonial Treasurer telling us that he is going to be crucified by an outraged public, a little wholesome contempt and a douche of cold water would be very much better than these heroics on the position of Western Australia. People have asked me what I mean by unification. I answer that if they will give me time to explain I think I can put the position before them. If, however, they want it in a few minutes I say that I want to see taken away from the State of Western Australia the State sovereign rights of taxation and the State sovereign rights of raising loan moneys. I will give them everything else. If they will give me that I shall be very easy to deal with. My own impression of the present position of affairs, apart altogether from the War, because I was working on this and had arrived at the conclusion I did five years ago before the War was thought of, and it was in your own constituency.

Sir, as wishing to pay a tribute to the high intelligence of the Port, that I made my first public statement on the matter, is that so far as I could read the signs of the times we must be prepared to approach, or to consider this question of the unification of Australia, for the reason that five years ago it was borne upon me that we could not go on as we were then going. We have had these Treasurers fooling about with the public ever since. I say "Do not talk to me about the abolition of party. You want a sound party principle and to stick to it, and to get rid of these dreadful personal, heroic and selfish ideas that there is one man in the country who is going to hold up his hands, or have his hands held up for him, like Moses of old whilst the Philistines are conquered." I want to see taken away from the State its sovereign rights. Five years ago we had something to negotiate with, but now we are simply, by their own showing, a pauper on the bounty of the Federal Government unless the Treasury bills are renewed. If the bills are not renewed, and they become due in February, we will naturally become unificationists by necessity. I should think that in dealing with public affairs one of the qualifications which anyone who aspires to lead the people should possess would be some reasonable foresight, though that is, I am afraid, too much to expect, but anyone who occupies the position even in a State Parliament should give his best attention to the finances of the country, and attempt to outline to himself the direction in which the country should be governed. No one is more fond of playing his part properly in the rough and tumble of political affairs than I am. Although I have been knocked about a little even I have had a few personal ambitions in my own little way, though they have not been very largely gratified up to the present. It remains to be seen what will happen, however. Without any heroics—and here I will quote from a truly heroic speech made by Danton at the Convention in Paris in 1793—I will say "Let my name be blotted out provided France is saved." Interested as I am in the personal aspect of politics I am a great deal more interested in and am still more determined to fight to the last gasp for what

I consider to be sound principles of government, particularly in Western Australia and my native land, the Commonwealth of Australia. At the risk of wearying hon. members I have taken it upon myself this afternoon to occupy a little more of their time than I had intended. Now we come to this interesting proposal which I adumbrated at the commencement of my address. My election comes on shortly. I should like to put this to the 16,000 electors of the Metropolitan-Suburban Province, and should like a contested election because one would get the votes, "Are you prepared to consider the question of unification"? I have no cut and dried scheme to put forward. I could prepare one, and could assist any hon. member or any convention desiring my assistance with a mass of, some of it, ill-digested material. I have not at present any cut-and-dried scheme in all its details, but will emphasise as much as I can the essence of the thing, which is to take away the sovereign power of borrowing and taxation. I deeply regret that five years ago this Parliament and the people outside would not consider the drawing up of some scheme which they could understand and present at the present time. In some respects we have unification with us now, for we are paupers on the bounty of the Federal Government. That is perhaps not quite an accurate way of putting it, because my complaint against the Federal Government in regard to this tariff is that they have robbed us. I believe that literally the word "Tarriffa" means a bandit's home, from which home in the mountains they would descend and rob the people. I believe that etymologically speaking that is an accurate definition of the term. There is the beginning and the end so far as Western Australia is concerned with this internal bleeding which has been going on. It was not without significance that an hon. member of another place, who won such a dramatic victory at the recent election, at any rate ventured, which very few people have done up to the present, to mention the question of unification. Judging by its reception on that occasion, it is encouraging, because the reception of the very name of unification at a former period might have been the cause of

boo-hoos. At the present moment I believe if we put it before the people of Western Australia they would take it now, and I am convinced that if the present Colonial Treasurer goes on for another six months, as he threatens to do. I need not agitate for unification, because it will come of itself. One may perhaps have cause to regret it, for what politician is there who wishes to see himself abolished? Most of us indeed have some difficulty in becoming politicians. To abolish ourselves without compensation would in some cases be a little trying for us especially at the present moment. But the question is too serious to be lightly treated and for us to take these personal aspects of the position. We have to deal with the present position of Western Australia in relation to its finances in the coldest and coolest manner. We want no panic legislation and as I have said we have unfortunately owing to our own folly nothing with which to negotiate.

Hon. J. Duffell: You have the sinking fund.

Hon. A. SANDERSON: We have not the sinking fund; if we touched it we would become like the tariff people, robbers. We have no right to touch the sinking fund.

Hon. H. Stewart: You keep it on your total of the national debt.

The PRESIDENT: Hon. members must not interrupt the speaker.

Hon. A. SANDERSON: I should like to make an explanation here, for it is an interesting one. I thought I had specially protected myself by saying that in these figures we must make some provision for the sinking fund, and that with that sinking fund taken off even then we would find Western Australia in a different position from all the other States. I think that these figures would make everyone taking an interest in the finances of Western Australia consider for themselves what it all means. At all events I ask them to do so. I will see in the course of six or seven months what happens in the political arena. Really the changes are so rapid and unexpected that, although it is unlikely, I may find myself sitting with some person, let me say like the hon. member from the southern province, whose views are totally opposed to

my own. I do not know what will happen, but can promise this, that if things then are like they are now I shall go to my electors with one plank only on my platform, namely, "Are you or are you not prepared to consider the question of unification," and by that I mean the abolition of the sovereign rights of taxation and the sovereign rights which this State has—although it cannot exercise its sovereignty, at present—of pledging its credit, mine and everyone else's in the community, in this unexampled extravagance in loan expenditure which we have seen here for the last 22 years.

Hon. J. W. KIRWAN (South) [5.45]: The hon. member who has just resumed his seat said he did not know what would happen during the next six months. Quite irrespective of the political views which he holds, and quite regardless of whether I agree with him or differ from him, I sincerely hope that we shall see him a member of this Chamber after the next elections for the Legislative Council. He is one of the members who never makes a speech without setting us all thinking, and who, when they do address themselves to a subject, put that subject in a new aspect. Such a member is an acquisition to this Chamber. He has told us that he is in favour of the party system where it carries out principles. He has in mind the existence of great parties in the old country. There is a great deal to be said in favour of party government there, but in a small community such as ours, where we have only something like 300,000 people, ever since I have been in public life I have been satisfied that in State affairs, and even Commonwealth affairs, the man counts for a great deal, and that often party counts for very little. It is the individual who goes into the House clearly desirous of doing what he thinks is best for the country, and who has the capacity of achieving things, who is of value in politics. The hon. member who has just sat down is himself one example of those. Quite regardless of whether he represents the Liberal or the Labour principles, or the National party, I, at any rate, think—and there are other members of both Houses who think with me—that it is the man who counts. If the electors would be guided more by the individual, by the man, by what he says and

what he is capable of doing, or trying to do, rather than by party shibboleths, which so often lead electors astray, it would be better for Western Australia and for Australia as a whole. The hon. member has given us a reason, quite a different one from those usually assigned, for our present financial position. Most of the speakers on this subject accuse the war for our financial position; others say that it is due to the Scaddan Government, to the State trading concerns, and others again accuse what they call the injudicious booming of the land, the drought, and so on. But the hon. member goes back a good many years to the date of the fight for Federation. It might be said, if one did not know him so well personally as to be assured that he would be incapable of it, that he was trying to have a dig at certain individuals who are now associated with the National party. I do not belong to that party; but with the present and late Treasurers, and others who fought to bring about Federation, I was one who did my utmost to bring about the consummation of the Commonwealth; and I have no regrets on that point, although I agree with the hon. member that Federation has not achieved all we wished, I agree, too, that drastic alteration of the Constitution is necessary, somewhat on the lines which the hon. member is so continually advocating in this House; on the lines of giving greater power to the Federal authorities, abolishing the State Parliaments and substituting in their place local bodies with extended local governing powers. But when the hon. member was referring to the disadvantages of Federation, he might also have mentioned some of its advantages. He referred to the fact that the State railway authorities have paid something like £300,000 in customs duties on materials for the construction of State railways. I think he might have set off against that not only the enormous sums of money which have been paid by the Commonwealth Government to the State Railway Department for the carriage of material for the trans-Australian railway, a distance of 400 miles, but in addition to that they have built 500 miles of railway through Western Australian territory. Surely that is some set-off against £300,000, which has been spread over the

sixteen years since the establishment of Federation. Three hundred thousand pounds does not amount to so much over such a long period. I think I know what the hon. member had in his mind when speaking on the Federal tariff. I was one of those who did what I could against the institution of the first Federal tariff, which I thought was inimical to the best interests of this State. When we remember the fight for a revenue tariff conducted by Sir George Reid and those who held with him that the tariff proposed was injurious to the primary producers, who was foremost amongst those who were fighting hard for the tariff? Was it not Sir John Forrest himself? When the fight was being made for that very principle which Mr. Gardiner wishes should be introduced now, when others are coming forward with proposals when it is too late, the tariff issue having been dead for a very long time, the very man whom he now eulogises was the man urging the imposition of the tariff! It is well to remember that whether we had Federation or not, we should still have had a tariff in Western Australia. The hon. member may think that such tariff would be the one which he himself would like to see imposed; but on the other hand it might not. Before the establishment of the Federation, one of the strongest arguments in favour of Federal union was that it would relieve us from the then Western Australian tariff on foodstuffs and the necessities of life. That was an argument which had considerable influence, that the tariff then in operation in Western Australia was placing an undue burden on the consumer, and that consequently it was desirable that the consumer should be given the shelter of the new Commonwealth. It was pointed out that though the new Commonwealth would have a tariff which might be imposed as against the outside world, within the Commonwealth we would have free trade, which was to be one of the ideals. Another matter to which I should like to refer is to the figures quoted by the hon. member in connection with the private wealth of Western Australia, in relation to the public debt. The figures quoted are by Knibbs, but were not so placed as to enable

one to properly judge their value. Knibbs should have given also some idea of the assets of each of the individual States as well as of the public debt; but he does not give any State or Government assets in such a way as to permit of a fair comparison. Although the figures are certainly an index, they are not so complete an index as would enable one to make an accurate comparison of the position. The hon. member has also made reference to the remarks of Sir John Forrest regarding the difference which has arisen between the State Treasurer and the Prime Minister in connection with the repayment of the loan falling due. I think if the hon. member had read those remarks correctly, he would find in them rather an argument against the position taken up by the Commonwealth, inasmuch as Sir John Forrest stated there was no pressing or immediate need for money, that is, no immediate necessity for floating a loan, that there is enough money to finance the war and also the ordinary activities of government for many months. That, I read to mean that there is no necessity for immediate action on the part of the Commonwealth. I should like now to say a few words in connection with the finances of the State. To my mind that is the all-important question with which we have to deal; it overshadows everything else. The war has now lasted for three years, and since it first commenced there has not been in this State any indication of anything in the nature of economy, or the reduction of expenditure. I cannot find that anything has been done with a view to making provision for the future. I do not take the altogether gloomy view of the position that Mr. Sanderson does. I think the position serious, but by no means hopeless. Taking present figures, they are not in themselves so alarming as the prospect for the future. The war is not over, and we do not know whether it will last months or years longer. That is the serious point of this State's position; it is rather the uncertainty regarding the outlook than the immediate financial position. Any wise financier would make careful provision for the future, because we do not know when or how the war will end. During the three years of war no attempt has been made in the nature of economy, and it must be re-

membered that it is by looking after the pence that pounds are saved. I do not take the view which the hon. member does that we should not make small economies such as the abolition of *Hansard*. On the outbreak of war the Scaddan Government was in power. At that time the cry went out from some of the leading business men of the Empire, "Business as usual." They foolishly thought the Empire might carry on the war, and that it would not interfere with the ordinary business of the Empire. Events have shown that that cry was utterly without foundation, and that the true position was very much more serious than was at first supposed. The Scaddan Government went out, and a new Government came in. I said at the time that I hoped the Government would realise the position, that whatever differences I might have with the Ministry on other points, I thought that any Government determined to make an effort to put the State finances straight would be worthy of universal support in the State. But what happened? The Government came in pledged to economy, to live within its income, to stop the financial drift. Those were the promises made, but which were not carried out. I fail to find that the late Government said "No" to one request for money. Any Government or any Treasurer seeking to put the affairs of this State right must be prepared to say "No" everywhere; any Government which is determined to live within its means must cut down expenditure, and must cut to the bone. The Treasurer must cut down to what is barely necessary. That is the essential thing which must be done, or else we do not know what disaster may face us in the future. What is the position after twelve months of the late Government? There is a deficit of £700,000 for that time. When the population of this State is taken into account, that is a record deficit. It is a record for all Australia. Nowhere, I believe, can it be found that in the same time so enormous a deficit was piled up. It is quite true that the late Government are not to be blamed for the whole of that deficit. They were in office during eleven of the twelve months. What evidence is there of their having made during those eleven months some attempt to

accomplish the promises on which they came into office? Where I blame them so much is in this respect. There was a big falling-off in revenue. With a constantly falling revenue, one would suppose the Government would have said at once, "We surely will not increase expenditure; with a constantly falling revenue we are certainly not going to raise expenditure; we must somehow or another reduce it." But despite that falling revenue the late Government increased expenditure to the extent of £180,000. I know the Colonial Secretary will tell us that some of that increased expenditure was absolutely essential. The hon. gentleman will tell us the expenditure was necessary because of the increased interest and sinking fund charges. The increased interest and sinking fund charges came roughly to £100,000. But that does not explain the additional expenditure that was incurred, or the fact that no attempt whatsoever was made at anything at all in the nature of economies. I am extremely sorry that Mr. Sanderson should have uttered something almost approaching a sneer at the Treasurer, who has made promises to effect economies, to try and set the finances of the country straight. I have reached a stage when promises from Governments count for nothing. I judge Governments by performances. But if the Colonial Treasurer will act up to the promises which he has made, then I think he will be worthy of the assistance of every member of Parliament with any sense of responsibility to the country. The Treasurer will become unpopular. He must, if he does his duty. Any Treasurer who takes hold of the affairs of this country at the present time and does his duty must be rigid in his position and say "No" over and over and over again. He must receive the loyal support of the Ministers associated with him. It will not do for any Minister to go round the country making himself popular by extolling the need for expenditure in his own department, quite regardless of the desperate position in which the finances of the country are. I heard the speech to which Mr. Sanderson referred, and I am sorry he does not take the view I take. The speech may not have been everything that I would have liked. The speaker said that at the end of six

months there would be a deficit of £400,000. There was no explanation as to why; but it seems very alarming indeed, and unless there be some very considerable drop in the revenue it is difficult to explain. However, the Treasurer seems to me to be endeavouring to do his duty; and, in place of members of this House sneering at "petty economies," if they have any sense of their responsibility they ought to be ready to assist anybody who is prepared at present to accept the odium of trying to put the affairs of the country straight. Before I sit down I would like also to refer to the deaths of the two hon. members who have passed away since the last session of Parliament. Both those hon. members were known to me for a great many years. Mr. Jenkins I knew in the very early days of Coolgardie, when he was mayor of that town; and I knew Mr. Cullen long before he was a member of this Parliament, when he first came to Western Australia. Though I sometimes differed with those hon. members politically, yet I always held them in very high esteem indeed; and I believe that feeling of esteem was shared by all hon. members. I wish also to congratulate the two hon. members who have joined us. I feel that Mr. Boan answers the description I have given of a man who ought to be a member of Parliament, quite irrespective of the party to which he belongs. Mr. Boan has built up a very large business in this City, a business that is a credit to him; and I believe he can be of great assistance to us in Parliament. I wish also to congratulate Mr. Stewart, and I feel that he, too, is an acquisition to the House, judging by the very interesting and able speech he delivered last evening. Further, I wish to congratulate the Colonial Secretary and Mr. Baxter on being members of the reconstructed Government, and I wish them every success in their labours.

On motion by Hon. V. Hamersley, *Debate adjourned.*

House adjourned at 6.9 p.m.

Legislative Assembly,

Wednesday, 25th July, 1917.

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

QUESTION—WATER METERS, MANUFACTURE.

Hon. W. D. JOHNSON asked the Minister for Water Supply: 1, Whether it is true that the Government are negotiating or have actually let a contract for the manufacture of water meters outside the State? 2, If so, will he explain the matter to the House and make all papers available for perusal?

The MINISTER FOR WATER SUPPLY replied: 1, Yes. 2, Tenders open to Australia were called in March last for 1,000 meters of disc type. The tenders of Western Australian makers were nearly 25 per cent. higher than the tender of a Perth merchant for meters manufactured in Sydney, which tender was eventually accepted. While the Government are desirous and prepared to encourage local manufacture for Western Australian requirements, it is considered such a difference in price prevents preference. It is suggested to the hon. member that he should seek by motion an indication from the House of the extent to which Parliament is prepared to direct the Government to accord preference to Western Australian made goods.

QUESTION—RAILWAY ROLLING STOCK CONTRACT.

Hon. W. D. JOHNSON asked the Premier: Whether he will make available for members' perusal all papers connected with the £48,000 rolling stock contract, which it