

seeing director. But in plain words, my grievance is that 87 road boards collect only £104,614 to construct roads, and for other purposes, over an area of over 100,000 square miles, whilst the Main Roads Board receives £48,000 from traffic fees for the purpose of constructing roads designated as main roads in an area of 100 square miles. Provision should be made to transfer this money to bodies controlling roads in outside districts. I do not know whether members appreciate the good work of the Main Roads Board. I have no desire to indulge in criticism of the board; what I am advocating is an alteration of policy. Such an alteration as I propose would permit of roads being constructed in other parts of the State, roads that are used by the people of the metropolitan area.

Hon. J. Nicholson: You mean a re-allocation of the funds?

Hon. C. F. BAXTER: Yes, a re-allocation of funds now no longer needed by the Main Roads Board for expenditure in the metropolitan area. After all, only a small proportion of the roads in the metropolitan area are main roads. Those roads are practically all made; I do not know of any that is not made.

Hon. J. Nicholson: You could not ask me to admit that.

Hon. C. F. BAXTER: I am not asking Mr. Nicholson to admit anything.

Hon. L. Craig: I think the Transport Board make an allocation now.

Hon. C. F. BAXTER: Yes, but that is a different matter.

Hon. G. B. Wood: What is done with that money now?

Hon. C. F. BAXTER: I wish members to understand that the position of which I speak is only arising now. The Main Roads Board have been expending their money very usefully, but, in my opinion, they have reached the limit. The roads required have already been made, and the board do not know where to spend the money allotted to them.

Hon. J. Cornell: They might build a new road from Midland Junction to Perth.

Hon. C. F. BAXTER: They might. I have every faith in the Director of Main Roads, though he has a tendency to look for opportunities to construct new roads.

Hon. J. Cornell: There is a main road from Southern Cross to Coolgardie that ought to be made.

Hon. C. F. BAXTER: If the policy were altered as I have suggested, roads like that would participate in the division of the £48,000. I trust that before long this State will be benefited by a copious fall of rain. The crops are not beyond recovery, and good results might yet be obtained. If, within the next few days, we receive an appreciable fall of rain, we shall have a happy and contented farming population. I hope that the results of the season will be excellent and will benefit not only the people engaged in our primary industries, but the State as a whole. I support the motion.

On motion by the Honorary Minister, debate adjourned.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.33]: I move—

That the House at its rising adjourn till to-morrow at 7.30 p.m.

Question put and passed.

House adjourned at 5.34 p.m.

Legislative Assembly.

Tuesday, 10th August, 1937.

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

QUESTION—MINING RESERVATIONS.

Mr. MARSHALL asked the Minister for Mines: 1, What was the total number of reservations in existence at the 30th June, 1937, granted under the Mining Act for the

purpose of prospecting or mining for gold? 2, What was the exact date when each reservation was originally granted? 3, What is the total area comprised in the whole? 4, What was the total rent received for those reservations for the year ended the 30th June, 1937? 5, What number of the whole are closed or open reservations respectively?

The MINISTER FOR MINES replied: 1, 53, including four reserves for sluicing and dredging rivers for gold. 2, Four on 24/9/30, three on 10/2/31, two on 11/3/33, two on 14/4/31, two on 26/3/31, one on 7/1/32, one on 20/2/32, one on 12/5/32, one on 28/6/32, one on 14/6/33, one on 5/4/33, three on 28/6/33, one on 8/3/34, one on 29/8/33, one on 4/1/34, two on 2/5/34, one on 17/5/34, two on 17/5/34, two on 26/9/34, one on 24/10/34, one on 5/3/35, one on 21/11/35, one on 6/3/36, five on 8/4/36, one on 10/6/36, two on 27/5/36, one on 2/7/36, one on 20/8/36, one on 4/8/36, one on 27/10/36, one on 24/12/36, one on 17/3/37, one on 25/5/37, one on 11/6/37, one on 15/7/37. 3, 44,266 acres. 4, £1,625 5s., being reserve fees and rents on leases subsequently taken up by reserve holders within such reserves. 5, All closed reserves.

QUESTION—SUPERANNUATION ACT.

Pensions to Railway Employees.

Mr. NORTH asked the Minister for Railways: 1, Is it a fact that, under the provisions of the Superannuation Act, 1871, pensions are due, and long overdue, to a number of former railway employees? 2, Is it a fact that several of the men in question have been and are being paid pensions under the provisions of the Act? 3, How many men to whom pensions were due, but who did not receive them, have died? 4, How many men are receiving such pensions? 5, How many men have been refused? 6, What is the reason for this discrimination? 7, Will the matter be adjusted upon receipt of the Federal disabilities grant?

The MINISTER FOR RAILWAYS replied: 1, No. 2, Only those whose claims have been approved are being paid. 3, None. 4, Four are receiving pensions. 5, Eight. 6, It is desirable that all pensions should be granted on an equality with officers under the Public Service Act. A limitation, however, is imposed under Sec-

tion 83. 7, The Federal disabilities grant does not affect the question of any adjustment.

QUESTION—MALNUTRITION.

Adequacy of Sustenance Rate.

Mr. NORTH asked the Minister for Health: 1, Has he been consulted by the Federal Government regarding an investigation of malnutrition in this State? 2, Has he ever been consulted regarding the adequacy or inadequacy of the 7s. per unit weekly sustenance rate now in force? 3, Is this the highest rate among the various States?

The MINISTER FOR HEALTH replied: 1, No. 2, No. 3, Generally, yes.

SITTING DAYS AND HOURS.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [4.41]: I move—

That the House, unless otherwise ordered, shall meet for the despatch of business on Tuesdays, Wednesdays, and Thursdays at 4.30 p.m., and shall sit until 6.15 p.m. if necessary, and, if requisite, from 7.30 p.m. onwards.

MRS. CARDELL-OLIVER (Subiaco) [4.42]: I should have liked to support the motion, but I wish to ask the Premier whether he has considered the advisability of meeting, say, at 2.30 p.m. and adjourning perhaps at 6.30 p.m., unless there is special business requiring attention. Also I should like to ask whether he has considered the advisability of meeting at 11 a.m. on Thursdays to allow country members to get back to their homes for the week end. Obviously, none of us getting any younger—

Mr. Hegney: Speak for yourself.

Mrs. CARDELL-OLIVER: Especially the Ministers. I feel that there is such a lot of work to be done that possibly it would be better to have it done during the day, when we are fresh, rather than in the evening. I address these few remarks to the Premier with the question whether he has considered, or will consider, the matter.

THE PREMIER (Hon. J. C. Willcock—Geraldton—in reply) [4.43]: Over many years attempts have been made to alter the hours of sitting. The member for Subiaco

raised the question of having morning sittings. That idea was tried out over a period of two or three months and proved to be extremely unsatisfactory. Very often we were almost short of a quorum. I do not know what happened to members, but frequently the attendance was less than one-half the full number. The general consensus of opinion by those who had experience of the innovation was that it was unsatisfactory. Having had that experience, I have given no active consideration to the question of reverting to something that proved unsatisfactory. As regards an afternoon sitting on Thursdays, that, too, has been tried, but it was generally conceded that the present hour of sitting met the convenience of members far better. If country members are anxious to meet at an earlier hour on Thursdays in order to finish at an earlier hour, that point could be considered and the idea could be given a trial. However, I believe that the train service is such that country members would not derive any benefit from the alteration. I believe there is only the Bunbury train leaving at 11.30 p.m. of which members could take advantage. Anyone living in the Great Southern districts—

Mr. Doney: The Great Southern train leaves at 4 o'clock.

The PREMIER: I was about to say that anyone living in the Great Southern districts would not benefit unless the House adjourned at 3.30 p.m., and that, I think, would not be desirable. Summing up, while perhaps certain hon. members may consider, and some people may agree, that it is possible to have other hours of sitting which would result in greater expedition of the business, it appears, after many trials of different hours of sitting, that the present hours are satisfactory to most members. From a Government standpoint, the present hours give Ministers an opportunity to deal in the afternoon, prior to the meeting of the House, with things which are likely to be brought forward. If hon. members are of opinion that an earlier hour of meeting on Thursday would suit their convenience better, there is no reason why at a later stage of the session consideration should not be given to that aspect.

Question put and passed.

GOVERNMENT BUSINESS, PRECEDENCE.

On motion by the Premier, ordered: That on Tuesdays and Thursdays Government business shall take precedence of all motions and orders of the day.

BILL—SUPPLY (No. 1), £2,500,000.

Message.

Message from the Lient-Governor received and read recommending appropriation for the purposes of the Bill.

Standing Orders Suspension.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [4.49]: I move—

That so much of the Standing Orders be suspended as is necessary to enable resolutions from the Committees of Supply and of Ways and Means to be reported and adopted on the same day on which they shall have passed those Committees, and also the passing of a Supply Bill through all its stages in one day, and to enable the business aforesaid to be entered upon and dealt with before the Address-in-reply is adopted.

Question put and passed.

In Committee of Supply.

The House having resolved into a Committee of Supply, Mr. Sleeman in the Chair,

THE PREMIER (Hon. J. C. Willcock—Geraldton) [4.50]: I move—

That there be granted to His Majesty on account of the service of the year ending on 30th June, 1938, a sum not exceeding £2,500,000.

HON. C. G. LATHAM (York) [4.51]: This is the only opportunity I shall have of clearing up a point in relation to the States' allocations of money at the last meeting of the Loan Council. On my return from the Eastern States at the beginning of July, I made a statement to the effect that I thought the States had not done all they might have done on behalf of farmers in obtaining further moneys from the Loan Council for rural relief. Western Australia's representative at that meeting of the Loan Council, the Minister for Lands, upon his return made the following statement—

Mr. Latham regrets that at the Loan Council meeting more money was not made available for debt adjustment, and blames the States, who, he asserts, by their voting strength

are responsible for the allocation of the Loan funds. My regret is that Mr. Latham attempts to make any statement without a knowledge of the facts. Mr. Latham is not in a position to blame anyone, or to give any accurate information, as he was not present at the Loan Council and could not possibly know what happened there.

I did not blame the Minister for Lands, but the States generally. Now I wish to blame the Minister for Lands, because he had as much power as anyone else had. I sincerely hope that I did not lead the public to believe that I was present at any meeting of the Loan Council, for it would be improper for the Leader of the Opposition to be present at such meetings. However, I did have an opportunity of reading the Eastern States papers and thus ascertaining exactly what had been done. I propose now to tell the House and the public, if both are interested in the matter, precisely what happened. In April the Minister for Lands, then Deputy Premier, represented Western Australia at a conference which decided that £16,000,000 of loans should be floated during the current financial year.

The Premier: That was practically decided in February.

Hon. C. G. LATHAM: The Loan Council were informed by their advisers that it would be impossible to raise the amount of money required; and the Minister for Lands, Mr. Troy, on his return said that this State had not been unreasonably treated. Apparently, the year before last £1,500 000 was made available to the State Governments for rural relief.

The Minister for Lands: Farmers' debts adjustment was not mentioned.

Hon. C. G. LATHAM: I did not intend to read the whole of this report to the House, but I will now quote exactly what the Minister said.

In view of the general reduction in all State programmes and in comparison with the amounts received by other States, Western Australia had not been unreasonably treated by the Loan Council, the Acting Premier (Mr. M. F. Troy) said to-day while passing through Kalgoorlie by the Great Western express after having attended the Loan Council meeting in Melbourne. Almost the sole business of the meeting, Mr. Troy said, was to arrange for the flotation of a loan to finance the requirements of the various Governments for the remainder of the current financial year and to provide a carry-over for the first four or five months of next year. At the February meeting of the Council it had

been arranged that the Commonwealth Bank should be approached to underwrite a loan of £7,500,000, £2,500,000 being for expenditure this year, and £5,000,000 for the early portion of next year. After the February meeting the acting chairman of the Council (Mr. Menzies) interviewed the Bank Board, which replied that at that time it could not promise to underwrite a loan to be raised two months later, but that it would consider the position at a time nearer the date of the proposed flotation. When the Council met last week, Mr. Menzies read a letter from the board intimating that it was proposed to underwrite a loan of £7,500,000 on the following terms:—(a) The loan to be floated during April; (b) the period to be 11½ years; (c) the rate to be £3 17s. 6d. per cent., and the loan to be floated at £99 5s. The effective yield at these rates would be £3 19s. 1d., compared with £3 19s. 4d. from the loan floated in November last. The bank's terms were acceptable to the Council, and the loan would be placed on the market before the end of the present month and subscriptions would close before coronation day.

"The allocation of the loan will provide Western Australia with sufficient money to get through, provided reasonable economy is exercised," Mr. Troy continued. "In view of the general reduction in the other States' programmes, and in comparison with the amounts received by other States, we have not been unreasonably treated by the Loan Council."

Referring to the finance required for the adjustment of farmers' debts, Mr. Troy said that considerable discussion took place on the requirements submitted by the States, which amounted to £3,400,000 for the next financial year. It was decided that £500,000 of the £5,000,000 to be carried over into next year should be appropriated by the Commonwealth Government for distribution among the States for debt adjustment, and that the question of the total allocation for 1937-38 should be left to a meeting of the Council to be held at the end of June, or early in July next. This meant that no further money would be made available by the Commonwealth Government for debt adjustment during the current financial year. Figures submitted by the various States showing the progress made in debt adjustment revealed that in Western Australia the adjustments already made exceeded those of all the other States combined.

I agree with him in that respect. However, it would be well for me to point out to the House exactly what the position is at the Loan Council. The Financial Agreement Act of 1928, which ratifies the Financial Agreement between the Commonwealth and the States, by paragraph (h) of Part I. of the Schedule provides—

(h) If the Loan Council decides that the total amount of the loan programme for the

year cannot be borrowed at reasonable rates and conditions it shall decide the amount to be borrowed for the year, and may by unanimous decision allocate such amount between the Commonwealth and the States.

Every member of the Loan Council has to be agreeable to such a decision. Then paragraph (i) provides—

(i) If the members of the Loan Council fail to arrive at a unanimous decision under the last preceding subclause allocating the amount to be borrowed for any year, the amount to be borrowed for that year shall be allocated as follows:—(1) The Commonwealth shall, if it so desires, be entitled to have one-fifth or any less proportion of such amount allocated to the Commonwealth; and (2) each State shall be entitled to have allocated to it a sum (being a portion of the balance of such amount) bearing to the balance of such amount the same proportion which the net loan expenditure of that State in the preceding five years bears to the net loan expenditure of all the States during the same period.

I do not need to read the remainder of the paragraph. Now I wish to show honourable members exactly how that works out. Undoubtedly £1,500,000 was provided last year for farmers' debts adjustment. After consultation with the States, the Federal Government considered that £1,500,000 would be sufficient but Victoria and Western Australia desired a considerably larger sum. I believe that, as a matter of fact, Western Australia asked for £1,000,000.

The Minister for Lands: When was that?

Hon. C. G. LATHAM: At the conference held in April of last year. I will give the figures.

The Minister for Lands: We did not ask for any million.

Hon. C. G. LATHAM: Then this information is wrong.

The Minister for Lands: That is according to the "Primary Producer."

Hon. C. G. LATHAM: This is not quoted from the "Primary Producer" at all, but from an Eastern States paper. Therefore it is no use blaming the "Primary Producer."

The Minister for Lands: I know your method.

Hon. C. G. LATHAM: My method is not an improper method.

The Minister for Lands: To ask for a million would have been unreasonable. I would have been laughed at.

Hon. C. G. LATHAM: I now quote from the "West Australian"—which is not the

"Primary Producer"—of the 17th April, 1937—

In February last the Commonwealth suggested that £1,500,000 would be required from loan funds for farmers' debts next financial year. This is the amount which has been provided this financial year. Because of requests for increased provision made by Victoria and Western Australia the Commonwealth intimated at this meeting that £3,400,000 would be required from next year's loan total, principally for farmers' debt adjustment. It is understood that of this amount Victoria sought £1,250,000, and Western Australia £1,000,000. On Victoria's behalf, it was urged that the State was prepared to accept a corresponding reduction in its public works allocation.

That is where I got my information.

The Minister for Lands: That is not correct.

Hon. C. G. LATHAM: The extract continues—

On the ground that increased provision for farmers' debts would affect their loan works programmes, some of the States, including New South Wales, protested that no more than £1,500,000 should be taken from the total Loan programme of £16,000,000.

That is where I got my information.

The Minister for Lands: Was the statement that we "asked for £1,000,000," in the "West Australian"?

Hon. C. G. LATHAM: Yes.

The Minister for Lands: Then we did not do so.

Hon. C. G. LATHAM: The Minister did not correct that statement when it appeared in the "West Australian." He complains about what I said when I referred to what was done at the Loan Council. I certainly was blaming someone, but he considered that I was not entitled to do so. I did not blame him personally. Last year £1,500,000 of Loan funds were allocated, and the money was found insufficient. The Commonwealth Government are bound, equally with the States, in the allocation of funds as determined by the Loan Council. The only item of expenditure excluded from that heading is money required for defence purposes. In respect of any other money required for expenditure, the Commonwealth Government have to secure the allocation of the necessary money by the Loan Council. That has to be done in accordance with the terms of the Financial Agreement. On this occasion, they said they would require £3,400,000, and the State representatives held that if they agreed to give the Commonwealth Government that amount, it would leave very little for them for their works programmes. In

consequence, they did not agree to the request.

The Minister for Lands: What was the date of the report in the "West Australian"?

Hon. C. G. LATHAM: It was dated the 17th April, 1937.

The Minister for Lands: I was not here then, and did not see that report.

Hon. C. G. LATHAM: But the Minister saw it when he returned, or could have done so. It is wonderful to note that the Minister can see anything that may be said by the Leader of the Opposition. After all, the Leader of the Opposition is a quiet individual, who has left well alone during the interregnum between the sittings of Parliament. On this occasion the Minister for Lands would have the public believe that I did not know what I was talking about. However, when it was suggested that the funds available were insufficient, the States said they would not agree to the allocation. Will the Minister say that that statement is not correct?

The Minister for Lands: Which statement?

Hon. C. G. LATHAM: Regarding the allocation of the £3,400,000?

The Minister for Lands: We did not ask for it.

Hon. C. G. LATHAM: Of course, if that was not asked for—

The Minister for Lands: I say it was not.

Hon. C. G. LATHAM: Then the information that has been made available to the people of Western Australia would appear to have been incorrect, but the Minister has not told them what happened, and very little has been told the people about it.

The Minister for Lands: You did not wait, but rushed in with a statement in the Press.

Hon. C. G. LATHAM: I want to know what really was the position.

Mr. Patrick: The Minister's quarrel is with the "West Australian," not with the Leader of the Opposition.

Hon. C. G. LATHAM: That is so. If the Minister had said that the "West Australian" had not reported the proceedings correctly, there would have been no ground for complaint on my part. It is certainly funny that not only did the Melbourne papers quote the figure to which I have alluded, but also the Sydney papers, and said that the Commonwealth Government

wanted £3,400,000. This statement also appeared—

Eventually it was decided that until the next meeting of the Loan Council in June or July, Ministers should work on the assumption that the total provision for farmers' debts next financial year would be £1,500,000.

When the Loan Council met last time—the Minister will be able to tell us if those proceedings were correctly reported—the Commonwealth Government asked for £3,200,000, and said that the total amounts would be used for distribution amongst the States for farmers' debts adjustment, but that request was not agreed to. In a paper published in the Eastern States on the 16th July, the following report appeared—

When the Loan Council adjourned to-night—

That was at the conclusion of the proceedings on the first day—

—it was plain that the Government's Loan programme would not be more than £16,000,000—the amount that was fixed at the last Loan Council meeting.

All that remains to be done by the Council is to fix the basis of the allocations. At one stage to-night there was every possibility that the formula under the Financial Agreement would have to be applied—

That is the formula from the Financial Agreement, which I read earlier—

—but as a result of a suggestion by the Premier of New South Wales (Mr. Stevens), it is now likely that agreement will be reached without using the formula.

The Minister for Lands: That portion is not true either.

Hon. C. G. LATHAM: The formula would have been applied, had the members of the Loan Council failed to arrive at a unanimous decision. If the Minister had taken the stand he should have, then the funds available to Western Australia for works would have been £1,560,000 instead of £1,500,000, the amount decided upon, and the Commonwealth Government could have taken £3,200,000, representing one-fifth of the total amount of £16,000,000 to which they were entitled under the terms of the Financial Agreement. Then the State, instead of securing £330,000 for debt adjustment, would have received an additional £93,000, making the total £423,000. It merely required the necessary action by the Minister for Lands, who represented Western Australia at the Loan Council meeting, to enable the State to receive that additional money.

Several members interjected.

Hon. C. G. LATHAM: I cannot hear all the members who are interjecting, and naturally I cannot reply to them. If the Minister for Lands had stood out, there would not have been any unanimous decision, and then, with the application of the formula under the Financial Agreement Act, the Commonwealth Government would have been entitled to one-fifth of the total allocation, or £3,200,000, and Western Australia would have been £93,000 better off for farmers' debts adjustment purposes, and £60,000 better off in respect of the works programme.

The Premier: But we are better off.

Hon. C. G. LATHAM: No doubt the Minister was told that if he were a good boy, he would be allowed to get some of the surplus of £875,000 on last year's operations I know that Western Australia received £400,000 more than the other States in the distribution of the money available at the end of June.

Hon. P. Collier: Do you know that the formula has never been applied?

Hon. C. G. LATHAM: I should not be surprised if that were so.

Hon. P. Collier: And that it is not desirable that it should be applied?

Hon. C. G. LATHAM: That may be so, but when the Minister for Lands takes me to task and claims that the money would not have been available had the formula been applied, I am entitled to ask that the position be cleared up. The member for Boulder may shake his head, but I claim it is my right to ask that the point be cleared up. It is surely better to say what I have to say in this House rather than in the Press. As Parliament was meeting in the course of a few days, I decided to raise the question here, and yet the member for Boulder shakes his head.

Hon. P. Collier: I shall do more than shake my head.

Hon. C. G. LATHAM: That does not matter in the slightest. The position is that the State could have done better under the formula. I notice that in the statement made by the Minister for Lands he had this to say—

From the amount of £16,000,000 proposed to be raised by loan this year, the Commonwealth Government were entitled to take £3,200,000 for any purpose whatever. The chairman, representing the Commonwealth Government, voluntarily announced that the Commonwealth

proposed to take £2,500,000 for debt adjustment, and the States' representatives were never asked to vote upon the subject, did not vote, and were not entitled to vote.

Will the Minister for Lands say the State representatives were not entitled to vote?

The Minister for Lands: They were not entitled to do so.

Hon. C. G. LATHAM: Of course they were. Then there is this—

The decision was one for the Commonwealth Government only, and could not be influenced by the vote of the States—

I say they could. So the Commonwealth Government had no greater powers there, and no authority to deprive other members of the Loan Council of the right to say whether or not they should get £2,500,000. The Minister went on to say—

Mr. Latham further states that the Commonwealth legislation relative to the provision of funds for farmers' debt adjustment stipulates that the £12,000,000 for that purpose is to be raised by loans. In this way he attempts to convey the impression that the Commonwealth is restricted to borrowing in order to provide money for debt adjustment. The Commonwealth legislation makes no such stipulation. It gives authority to raise the money by loan, but does not restrict the Government to that course only. There is nothing to prevent the Commonwealth Government providing additional sums for debt adjustment from revenue, and this course was urged upon it at the recent Loan Council meeting.

The Premier interjected.

Hon. C. G. LATHAM: I do not know what was said, but am going on what I read in the paper. To explain the position I have merely to read the Title of the Act under which the money could be allocated for expenditure. The Title of the Commonwealth Act reads—

An Act to authorise the raising and expending of certain sums of money to provide for the grant of financial assistance to the States in the making of payments to or for the benefit of farmers, and for other purposes.

That provides the only authority they possess for appropriating money for these purposes. I do not say that Parliament at any time could not have voted these funds and appropriated the money for any purpose they liked. We know it is left to Parliament to do that, but I have not yet heard of any State or Commonwealth Parliament taking money from revenue for these purposes when they could secure it from Loan funds. It was definitely understood that the money was to come from

Loan funds for farmers' debts adjustment purposes. That has been always understood. I realise that at a time when the Federal Government found themselves with a surplus, they could have suggested utilising some of that money. But when heavy defence expenditure had to be incurred, they would naturally find themselves with very little at their disposal.

The Premier: That may have been done out of revenue.

Hon. C. G. LATHAM: Yes.

The Premier: You said they would not spend money out of revenue when they could get it from Loan funds.

Hon. C. G. LATHAM: Most Governments do that, but they cannot spend money without the authority of Parliament. The Premier knows that it is necessary to secure authority before the Government can borrow money or spend it. Naturally Parliament can do anything it desires. It can authorise the expenditure of money from revenue for the purpose of farmers' debt adjustment, but it would not be very easy to get that authority seeing that provision, in this instance, was already made in the Loan Bill of 1935 for that particular purpose. So it is of little use to say that the money should be allocated from revenue. We could find funds from revenue for the purpose of assisting farmers, but that is not done.

The Premier: We did.

Hon. C. G. LATHAM: How much did the Government provide?

The Minister for Lands: We provided £150,000 this year.

Hon. C. G. LATHAM: I shall be glad to find out where it is.

The Premier: That is another matter.

Hon. C. G. LATHAM: That is like the suggestion at one time put to me by a man who said that he had a rotten farm because he had lost £1,000 a year. When I asked him how that was so, he said that had the bad land he possessed been good land, he would have made another £1,000 a year. That is what is happening with regard to the Government, when they claim credit for giving away money that they cannot collect at all. They say they have given that money to the farmers, whereas the fact is that they could not collect it at all. It is useless to say that they have given the farmers that money.

I hope the Minister will clear up the points I have raised.

The Premier: You have been told where the money is.

Hon. C. G. LATHAM: I cannot find it. If we had the Public Accounts, we could trace the money and ascertain where it had gone. With the financial statements that have been made available to the public, it is impossible to trace the money. I will give the Government credit for everything they do; I do not desire to be unfair. That is why I want to clear up this point, and the proper place to mention it is in the Chamber where the Minister can reply to my statements and correct me if I am wrong. If he is prepared to show me where I am wrong and if he succeeds in that purpose, I shall be prepared to agree. But actually I know I am perfectly right in the statement I made. I was justified in expressing regret that there was no more money available for the farmers. I know what the position is: this State, like all other States, desires to get as much money as possible for public works, although it has to pay interest on it. That is exactly the position.

The Premier: Do you advocate that?

Hon. C. G. LATHAM: No. However, I have taken this opportunity to clear up a public statement I made and which the Minister for Lands has misrepresented to the public.

THE MINISTER FOR LANDS (Hon. M. F. Troy—Mt. Magnet) [5.16]: I acknowledge with thanks the reference made by the Leader of the Opposition to me. But the hon. member must bear in mind that when at the Loan Council I am only one amongst six or seven. It was good of him to suggest that had I held out we would have got an additional million.

Hon. C. G. Latham: I never said you would get an additional million.

THE MINISTER FOR LANDS: Good sense suggests that I should disclaim the responsibility of having been in the position suggested by the Leader of the Opposition. Whatever came to the Leader of the Opposition was nothing more than he had asked for. He did not attempt to get the facts that I had from the Loan Council, yet he rushed into the Press in Western Australia and in order to make out a case for the Federal Government in view of the coming

Federal election, he put the responsibility on the States and said that with their voting power they could do anything they liked. As a matter of fact, they cannot do any such thing, for the Commonwealth has, in all, three votes.

Hon. C. G. Latham: That is counting the casting vote—and even then it is against six votes.

The MINISTER FOR LANDS: As for the money for bulk handling, I will discuss that later on. The Commonwealth had a casting vote, which they did not use. But regarding debt adjustment, what I said at first was correct, but what the Leader of the Opposition said was not correct and no doubt he is now squirming in consequence of that publication. The constitution of the Loan Council provides that failing a unanimous decision, the formula may be insisted upon. I do not know that it was my place to insist upon a unanimous decision. Amongst others I was there to do the best I could for this State. If the formula had been applied, Western Australia would have come off very badly. Probably we should have got only £1,500,000 instead of getting over £2,000,000, and so the country would have been let down very badly. Would the Leader of the Opposition have done that?

Hon. C. G. Latham: You explain how that happened.

The MINISTER FOR LANDS: It is not necessary to explain. Western Australia would have come off badly.

Hon. C. G. Latham: We would have got £60,000 more.

The Premier: But through not having this unanimous vote we got two millions.

Hon. C. G. Latham: But £300,000 was your own money.

The MINISTER FOR LANDS: The Leader of the Opposition said in the Press that when the original estimates of the Loan Council were prepared provision was made for £3,500,000 for farmers' debts adjustment. Actually there was no such provision. On April 20th last the "West Australian" published a statement which set out that we were asking for a million pounds for farmers' debts adjustments. There was no truth in that statement. Numbers of Pressmen attend outside the Loan Council but actually get nothing authoritative. What they get they get outside. Pressmen waiting when the Loan Council meeting breaks up ask members such questions as "How did the big tiger

from New South Wales treat you?" and "Did you get a fair deal from Victoria?" If one wanted to make statements at such a time one could make as many as he liked.

Hon. P. Collier: Many of the statements published are quite untrue.

The MINISTER FOR LANDS: There is no truth in them at all; they are only guesses.

The Premier: And then the paper uses the phrase, "It is understood," and so dodges responsibility.

The MINISTER FOR LANDS: It is agreed at the Loan Council that no members of that body shall give statements to the Press. I know I did not make a statement. Of course there was no request for a million pounds; it would have been most unreasonable, having regard to the true position of the Loan finances. If one were to go to the Loan Council and ask for a million pounds one would get a very poor hearing. So we did not ask for a million pounds in April. It was also only tentatively suggested that the States would require £3,500,000 for farmers' debts adjustment. As a matter of fact it is widely thought that the estimates of some of the States were misleading, that they were exaggerated for certain reasons. Personally I think that some of the States put forward requests without expecting to get the amount for which they had applied. But Western Australia asked for £500,000, and the application was justified because we were the one State that had done the job. Really we have done more than all the other States put together, and therefore we could reasonably ask for £500,000 because we had expended the money in doing the job. If the Leader of the Opposition wants to blame the States because there was not any more money provided for farmers' debts adjustment, is that not a definite accusation against the Country Party Government of Victoria, the Country Party-Nationalist Government of New South Wales, the Country Party-Nationalist Government of South Australia and the Country Party-Nationalist Government of the Commonwealth? Yet the hon. member blames me!

Hon. C. G. Latham: No, I blame the States. You can twist it all right.

The MINISTER FOR LANDS: He blames me because there was not more money provided. Well, what were the other States doing; Victoria, with a Country Party Government, and the Commonwealth and New South Wales and South Australia with their

Country Party-Nationalist Governments? The Leader of the Opposition blamed me for letting the farmer down, but he has not been let down. The Leader of the Opposition never seems to understand the position; he should think before he speaks. When he blames me he blames every Country Party Government and Country Party-Nationalist Government throughout the Commonwealth, including the Commonwealth Government, because these Governments do dominate the Loan Council.

Hon. P. Collier: You have got him well there.

The MINISTER FOR LANDS: Then we had Mr. Gregory rushing into figures when the Leader of the Opposition fell down. He made a statement about what happened at the Loan Council in 1936, quoting a letter from Mr. Sheehan, of the Commonwealth Treasury, as to what occurred there. But it was published in such a way as to make the reader think that it referred to the Loan Council meeting of July of this year. Then the propagandist paper of the Country Party discredibly published it in the same way. Actually the incident had occurred in 1936 and had no relation to the Loan Council meeting of July, 1937. It was true that the Commonwealth Government could have taken £3,200,000, and in fact that Government did take £2,500,000.

Hon. C. G. Latham: They could take it only if the formula were applied.

The MINISTER FOR LANDS: If the Commonwealth Nationalist-Country Party Government and the New South Wales Government and the Victorian Government wanted the Federal Government to take £3,500,000, they could have done it, and the other States would have been quite helpless. I repeat that if the New South Wales and Victorian Governments had wanted the Commonwealth Government to take that money, they could have taken it. But at the February meeting, which was attended by the Premier and myself, the chairman after discussion said that the Commonwealth Government would take £1,400,000. The £16,000,000 loan limit would never have been agreed upon if it had been known that the Commonwealth Government were going to take so much money for their own purposes. The Commonwealth Government are never in want of money, for they always have abundant revenue. It is a fact that they have played an unfair part in limiting the State's loan requirements to certain figures,

and then later on putting forward a proposal that they should take also their proportion of the loan allotments, thus reducing the States below their normal requirements. At the last Loan Council meeting in July Mr. Menzies said that the Commonwealth would take £2,500,000. The Commonwealth Government did take that amount, and despite the views of the States were entitled to do so. The Leader of the Opposition stated that the Commonwealth Government could only raise money for farmers' debts adjustment by loans.

Hon. C. G. Latham: I said that was the only authority they had.

The MINISTER FOR LANDS: Had the States known, at the conference at which the farmers' debts adjustment agreement was made, that the Commonwealth would take an undue share of loan moneys, and thus penalise the States, the agreement would probably not have been approved in that form. Complaint is now made that when the Commonwealth put forward a proposal for an agreement with the States to advance a certain amount of money, the States were under the impression that the money would be forthcoming from Federal revenue. It was not expected that the Commonwealth Government would draw on the amount of loan moneys available in order to carry out special schemes. That purpose is always kept up their sleeves. I was at the conference at which the farmers' debts adjustment agreement was made. No suggestion was advanced there that the amount required by the Commonwealth would be taken from the minimum sums which could be raised by means of loans. Then we found that the Commonwealth Government said, "We want so much for this special purpose," and threw the responsibility on the States of refusing to give it. The same thing happened with respect to youth employment. The Commonwealth Government called a conference in Melbourne last February for the purpose of discussing something with regard to youth employment. The two Federal Ministers who were present suggested a resolution that the Commonwealth should provide several hundreds of thousands of pounds for youth employment. We thought the money was to come out of Federal revenue, but later on the Federal Government said it would come out of Loan Funds. At the last conference a strong protest was entered against this procedure, and the Com-

monwealth Government then announced they would find the money from revenue. If the Commonwealth Government continue this practice of deception, and put forward schemes for their own advertisement, and these schemes mean penalising the States with respect to money for development, the schemes will not be agreed to. The States will want to know first where the money is coming from.

Mr. Patriek: You cannot stop them from taking their fifth.

The MINISTER FOR LANDS: They can do that, but the States can say beforehand, "Where is the money coming from?" If the States are to be limited by the banking board to £10,000,000, the whole of the Governments of the States will say, "All right as to the £16,000,000, but no more special schemes." If the Federal Government have any more schemes, it will be a matter of the £16,000,000 plus the other money required for those schemes. The policy of the Commonwealth Government is forcing the States to take these precautions. The Commonwealth Government are never in want of revenue, for they always have a surplus. They do not have our responsibilities, nor do they accept responsibility for the calamities which occur within the States. They must, however, be careful because the States are the institutions which are responsible for building up and creating the wealth by which the Federal Government prosper. The Commonwealth are not restricted to loan money for debt adjustment. They can always provide funds out of revenue. All they need is the necessary appropriation. The Act provides for the raising of so much money for farmers' debts adjustment. The Government need raise only half of that sum by loan, and can raise the other half from revenue. They are not compelled to raise it all out of loan. They have not, however, treated this State badly in regard to farmers' debts adjustment. The Leader of the Opposition said I should have entered a protest, but if I had done so, I would have come off badly on the figures. All the States are entitled to a certain proportion of the moneys raised. New South Wales had allocated to it £3,450,000 for debt adjustment, out of the moneys to be provided by the Commonwealth, but have so far received only £428,000. Victoria is entitled to £2,500,000 but has taken only £582,000. Queensland is entitled to £1,150,000 but has only drawn

£75,000. South Australia is entitled to £1,300,000 and has drawn only £211,000. Western Australia is also entitled to £1,300,000 but has drawn £164,000. In other words, up to date New South Wales has been allotted 12 per cent. of the amount it is entitled to, Victoria 23 per cent., Queensland 6.5 per cent., South Australia 16 per cent., and Western Australia 36 per cent. It will thus be seen that we have not done so badly. If I had put in the strong objection it is said I should have put in, I would have been told that we had not been badly treated. Not only have we drawn the percentage we were entitled to draw, but we have drawn a much bigger percentage than we would have been entitled to if we had been the States of Victoria and New South Wales combined. The States have been fairly well treated, although we can do with much more money as we are the one State which is making great progress with debt adjustment. Out of the £2,500,000 which the Commonwealth Government have appropriated, Western Australia may still get more, as it is possible the other States will not absorb their full quotas.

HON. C. G. LATHAM (York) [5.40]: I wish to correct a statement made by the Minister for Lands. I did not say that Western Australia would have received £1,000,000 more if he (the Minister) had adopted the scheme. The total amount would have been £153,000. That is the most we could have got if the formula had been applied. The Minister gets offensive. I do not desire to become offensive myself, as I am not entitled to do so, but he can be as offensive as he likes towards me. I have merely pointed out what the position was, that, if the formula had been applied, certain moneys would have come to this State. He has pointed out that Western Australia has received £400,000 more than the other States received. I would point out that of that amount £300,000 is a carry-over from last year, representing money unexpended by this State.

The Premier: It was under their control; it went back to them.

Hon. C. G. LATHAM: This State had left at the 30th June last £300,000 unexpended. I admit that the money went back. When we talk of Loan Funds we are always dealing with a period of 18 months. Of the last flotation a sum of £5,000,000 was left over

at the 30th June last year. It is all very well to say that the Commonwealth Government should float this loan, but they can only get the money if it is available. Of the last three loans that have been floated in Australia, the Commonwealth Government have had to underwrite a considerable proportion. The £16,000,000 is not all that the Commonwealth Government have to go on the market for this year. The actual amount is £21,000,000. Of this about £7,000,000 is to be allotted to the States for semi-governmental purposes and a small sum will come to Western Australia for bulk handling.

The Premier: The Commonwealth do not raise that.

Hon. C. G. LATHAM: It must be raised on the loan market.

The Premier: Not by the Commonwealth.

Hon. C. G. LATHAM: But the money has to be found.

The Premier: They do not take all the responsibility.

Hon. C. G. LATHAM: New South Wales has had £5,250,000, of which £2,000,000 was borrowed in London. The £350,000 Western Australia is getting is for bulk handling.

The Premier: We have to raise that money.

Hon. C. G. LATHAM: I was wrong in giving the New South Wales figure. It was £4,475,000, of which £2,000,000 was floated in London. This money has to be found on the market, unless it is possible to go overseas for it. To get £16,000,000 on top of that is to expect almost too much, in view of what we know occurred last year. Next year the conversion of a very large sum of money must embarrass not only the Commonwealth but the State Governments. It is not so easy to borrow money. With regard to the £3,200,000, the Act is very clear and definite. We knew of the Act, and that the whole of the money had to come from Loan Funds. All the money the Commonwealth have taken out of the £16,000,000 is for farmers' debts adjustment. If the Minister is going to correct statements made by me in all good faith, from information supplied to the public, then he should correct the statements which appear in the Press, from which I made my statement. It is clearly pointed out that it was considered that Western Australia was asking for £1,000,000 for rural relief. I did not expect we would get that amount. It

would be more than the amount allocated to this State out of the £10,000,000. It is no use the Minister trying to ridicule me. He has not convinced me that we would not have got more money, which is so badly needed for farmers' debts adjustments. Already the complaint has been made that we have had insufficient funds for this purpose. The Premier knows that. When the Prime Minister was going through to England we asked him to make more money available. I think as a result of the representations that were made £32,000 more was made available to this State. We are anxious to have this business finished as quickly as possible. There can be no rehabilitation of the farmers until they are clear of their indebtedness or have made some compromise or some arrangement with their creditors. It was in the interests of the farmers that I raised the question, and it was in their interests that I expressed regret at the fact of not more money being made available. Under the formula provided the Commonwealth Government, as I have pointed out, are entitled to take £300,000. I do not desire to delay this Bill, which is a necessary Bill. Moreover, it is a measure which comes down every session. This year's Bill is for considerably more than the Bills of previous years. I shall take the opportunity of discussing these matters in the House, for I object to discussing them in the Press. I object also to being browbeaten and ridiculed by the Minister for Lands because I take the opportunity available to me here.

Question put and passed.

Resolution reported, and the report adopted.

Committee of Ways and Means.

The House having resolved into Committee of Ways and Means, Mr. Sleeman in the Chair,

THE PREMIER: I move—

That towards making good the Supply granted to His Majesty for the services of the year ending 30th June, 1938, a sum not exceeding £1,600,000 be granted out of Consolidated Revenue, £600,000 from the General Loan Fund, and £300,000 from the Public Account for the purpose of temporary advances to be made by the Treasurer.

Question put and passed.

Resolution reported, and the report adopted.

Bill Introduced.

In accordance with the foregoing resolution, Bill introduced, and read a first time.

Second Reading.

THE PREMIER (Hon. J. C. Willecock—Geraldton) [5.51] in moving the second reading said: The Leader of the Opposition mentioned that this is the usual procedure at the beginning of a session, pending the introduction and passing of the Annual Estimates. The Estimates are in course of preparation, and I hope to introduce them early so that full consideration may be given to the expenditure necessarily incurred. The Leader of the Opposition mentioned also that a larger sum than usual is asked for on this occasion, but it is the same as the amount that was actually spent. We asked for £1,300,000 from revenue, but spent £300,000 more. It is probable that there will be just as much activity during these early months, and that at least the same amount of money will be required to carry on the affairs of the State. It is anticipated that expenditure from loan funds will be at the rate of about £200,000 per month. That rate of expenditure, however, will not continue throughout the year. Early in the year we generally have to spend more money in order to obtain materials required. I do not wish to discuss at this stage what occurred last year. We all know that the year finished up with a deficit of £371,205, and we are all aware of the factors which brought about that deficit. The Commonwealth grant was reduced by £300,000, and other payments became necessary. So that instead of finishing the financial year with a surplus, we finished with a deficit of £371,205. It is not usual to discuss that aspect of the financial transactions of the State at this stage. It is rather the custom to reserve what is to be said in connection with it until the Annual Estimates are introduced.

Question put and passed.

Bill read a second time.

Remaining Stages.

Bill passed through its remaining stages without debate, and transmitted to the Council.

ADDRESS-IN-REPLY.*Second Day.*

Debate resumed from the 5th August.

HON. C. G. LATHAM (York) [5.55]: In addressing myself to the motion for the adoption of the Address-in-reply I should like to say that I feel sure all Western Australians will endorse the message despatched to Their Most Gracious Majesties, King George VI. and Queen Elizabeth, conveying sincere congratulations and good wishes on their accession to the Throne. The King and Queen are not unknown to the people of this State. Only a short time ago, as the Duke and Duchess of York, they visited us, and endeared themselves to the hearts of all who had the opportunity to meet them or see them. In our King we have a Monarch whose principal aim, I feel assured, will be to emulate the high ideals and accomplishments of his beloved father, who strove steadfastly to preserve the constitutional rights and privileges of his subjects and to maintain a spirit of unity and peace throughout this great commonwealth of nations of which the Crown is the historic symbol. We are all delighted that the Premier was able to attend the coronation. In the hon. gentleman we feel Western Australia had a very active and able representative. His presence in London has been beneficial to the State, and he took with him the good wishes of all the people of Western Australia to the people of the Home land. There is much to be learnt by a trip to the Old Country. The associations that a Premier makes, the opportunities he has of clearing up misunderstandings with so remote a part of the British Dominions as this, and of learning about the difficulties of other parts of the British Empire are highly advantageous. Sitting here we sometimes magnify our troubles and problems, but when one goes oversea one realises that after all this is a very small part of the great British Empire, and that other parts of the Empire have just as great difficulties as we have, and occasionally greater difficulties. That helps to broaden the outlook. In rubbing shoulders with statesmen from other parts of the Empire, one learns to appreciate their problems. I feel sure the Premier realises the difficulties of, for instance, the marketing problem, and the problems that Dominion Parliaments are faced with. I listened to the discussions at the conference of 1935 with a feeling that, after all, we are not so badly treated, in view of the

problems of other parts of the British Empire.

The Premier: A policeman's lot is not a happy one.

Hon. C. G. LATHAM: I daresay our Premier disagreed with some of the views expressed on behalf of other portions of the Empire. However, those other portions stated their case as they saw it, and they must be given credit for putting up arguments in the interests of the people they represent. I feel certain the Premier, while oversea, learnt that Britain is anxious to do everything possible to trade with other parts of the Empire. There is no need for me to enlarge on that aspect. Agreements have already been entered into between the Dominions and Great Britain, bringing conclusive proof that the Mother Country is anxious to do all she can to assist her people oversea to market their goods. I was rather struck with the speech of the member for Roebourne in moving the Address-in-reply. That speech was marked by apologetic criticism of the Government. The hon. member opened his remarks by saying that the usefulness of the Address-in-reply debate had passed. He expressed the view that it was about time the old custom was abandoned. If he moves to give practical effect to that view, he will get many supporters from this side of the House. The Country Party has always held the view that Parliament meets not just for the purpose of talking, but for the purpose of controlling the State's finances. The first business of Parliament is the control of the financial position of the State. Sometimes, I am afraid, we depend on reports which reach us, and which, as this afternoon's debate has clearly proved, are incorrect, with the result that the people do not obtain an accurate understanding of the financial position. The duty of Parliament, I repeat, is to look after the State's finances, to see that money is provided for the necessary governmental expenditure, to see that the people are taxed sufficiently to meet that expenditure, but not overtaxed, and then to ensure that the money granted is wisely and judiciously expended. Then, of course, we are expected to see that the laws of the State are kept up to date. We have to legislate with the times, and while it is not our duty to see that the laws are carried out, which is the responsibility of Ministers, it is our duty to see that the Ministers maintain the laws

of the State. If the member for Roebourne (Mr. Rodoreda) desires to abolish the Address-in-reply debate, commencing with next session of Parliament, we shall be with him. I think members of the Country Party will agree with him, and in those circumstances we could make the Address-in-reply a formal matter, as is done in the Parliaments of some of the Dominions. If we do that, we can then get on with the business of government. We are all aware that whatever we say during the course of the Address-in-reply debate, we can say on the Estimates, and if the latter are introduced soon after Parliament meets, that will provide us with the necessary opportunity. I fail to understand why the Estimates cannot be presented to Parliament much earlier. At any rate, I commend the suggestion of the member for Roebourne for the abolition of the Address-in-reply debate.

Mr. Cross: Then sit down, and set us an example.

Mr. Patrick: The debate has already started.

Hon. C. G. LATHAM: I wish the member for Canning (Mr. Cross) would listen to the speeches that are made; he does not do that. As the member for Roebourne remarked, the way is open now for a flood of speeches, and there is no doubt that the member for Canning, irrespective of whether he has a grouch or not, will contribute towards that flood.

Hon. P. D. Ferguson: If there were a drought where the member for Canning is concerned, it would be much better.

Hon. C. G. LATHAM: I was rather impressed, not by what the Lieut.-Governor's Speech contained but by what it did not state. When we were asked to repair from this Chamber to the Legislative Council to hear the reasons for calling Parliament together, I had hoped to hear some reasons, but I did not hear any. The Speech set out what had been done by the Government during the previous year, and the Speech was coloured in accordance with the policy of the Government.

The Premier: It referred to the activities of the State, not to those of the Government.

Hon. C. G. LATHAM: That is so, but I cannot give the Government credit for all that happened last year.

The Premier: Not for all.

Hon. C. G. LATHAM: I will give them credit for some things that happened. It is true that we heard of some legislation that was to be introduced, and the references appeared in a sort of schedule to the Speech. We have listened to such lists of proposed legislation frequently, and we realise that the mere recording of proposed legislation in the Lieut.-Governor's Speech does not mean that all that legislation will be introduced. Frequently we have heard legislation mentioned in those circumstances, yet that legislation has never appeared before Parliament. If the legislation referred to in the Lieut.-Governor's Speech this session is all that is to be introduced, the sooner we prorogue Parliament the better it will be, because the legislation indicated, apart from one or two measures, will not help the people of Western Australia one iota. One is that which will authorise the expenditure of money for bulk handling purposes, and the other is that which will give the necessary relief to those who find themselves in a drought-stricken condition, necessitating financial assistance. Those are the only two legislative proposals that impressed me as worthy of calling Parliament together to give them consideration.

The Premier: Do not you think that the people who do the work of the State should have some legislation too?

Mr. Marshall: Of course he does not; none at all!

Hon. C. G. LATHAM: I will not say that they should not have legislation, because they have the benefit of much legislation at the present time. I am afraid that the State Parliament turns its attention too much to those already provided for. Members are not asked to turn their attention in directions where assistance is really needed. That is the problem that confronts us. I am afraid we are not doing the work that should be expected of us. Anyone who read the Lieut.-Governor's Speech would think that "everything in the garden was lovely." We know that is not so. There are men out of employment. Our main industries, apart from goldmining, are slipping back. These are things to which the Government should turn their attention.

The Premier: Are what you have referred to the only matters mentioned in the Speech?

Hon. C. G. LATHAM: There is no reference to relief to be afforded those industries,

or to proposed legislation that will assist in that direction in any way. Parliament is called together to grant supplies to the Government and for the purpose of raising taxation. This House has very little say regarding the financial position. We pass laws, which appropriate money that is taken out of revenue. The whole public service has to be provided for as well as the Railway Department. That leaves very little in the allocation and expenditure of which Parliament can have any appreciable say. We should certainly have the Revenue Estimates before us much earlier, so that we may be able to understand the financial position of the State. Lacking those particulars, Parliament cannot have a sufficient hand in endeavouring to guide the Government in the expenditure of money. When dealing with the Lieut.-Governor's Speech, another matter referred to by the member for Roebourne was his objection to the concealment of the Government's intentions regarding legislation. He said—

If the object is to conceal the Government's intentions with regard to impending legislation, that object is certainly achieved.

The Premier: He saw the Bills that we are to introduce.

Hon. C. G. LATHAM: The member for Roebourne has probably been taken into the confidence of the Government, and has been given certain information. The member for Roebourne is anxious that the people generally should be told of the Government's intentions. He knows that legislation is pending, and that the Government are going to do something. Perhaps he has been told that they intend to do something outstanding this session. Should the Premier avail himself of the opportunity to speak on the Address-in-reply, I hope he will tell the House what his legislative proposals represent. I agree with the member for Roebourne that there is too much secrecy about these matters, and that we ought to know more about the Government's legislative proposals. The member for Roebourne is a very strong party man, and stands behind the Government, whether they be right or wrong.

The Premier: You agree we are not always wrong?

Hon. C. G. LATHAM: Yes; but this indicates that all is not well with the Government. Evidently there is some dissatisfaction, and so the member for Roebourne advised the House that all was not well. I am

sorry he stopped at that, and that we had to close the proceedings at 4 p.m. Perhaps if he had had sufficient time, he would have taken the House into his confidence and told members what was in his mind. We would have helped him to correct the position.

Mr. Marshall: You are as wrong there as you were regarding the Loan Council.

Hon. C. G. LATHAM: The member for Roebourne said that the Government were not frank, and he declined to approve of their tactics. So we disapprove of them. The hon. member was perfectly right. This is the people's Parliament, and the people should know as early as possible. As soon as the information he desired was given to the member for Roebourne, it ought to have been given to the public as well. I propose briefly to deal with the financial position. We shall have the Estimates before us soon, according to the information tendered by the Premier. We are always being met with such promises. May I hope that on this occasion when the Estimates are brought down we shall have the report of the Auditor-General, and the Public Accounts as well.

The Premier: They cannot be got ready at once; they take time.

Hon. C. G. LATHAM: The financial year ended on the 30th June last, and that is five weeks ago. I suppose it will be a fortnight or three weeks before the Estimates are placed before us, and that provides a period of eight weeks. If the accounts are kept up to date, the report of the Auditor General should not be long delayed. That officer makes his report to Parliament, and he is the servant of Parliament. It is his duty to point out to Parliament what the real position is, what money has been spent wrongfully, and what amounts have been over-expended. We should have that information before us, but usually we do not receive the Auditor General's report until after the Estimates have been dealt with, at which stage the report is useless to us.

The Premier: That was not so last year.

Hon. C. G. LATHAM: I think we received the report in November.

The Premier: That is not so.

Hon. C. G. LATHAM: I will look up the exact date during the tea adjournment. At any rate, any such period of the session is far too late. When we have the Estimates before us, we should have the Public Accounts as well. That document sets out

clearly how the money was spent during the financial year, and enables members to trace the expenditure. As it is, members are forced to ask the Premier various questions, which would be quite unnecessary if they were able to look up the information for themselves. I hope the Premier will see that the Public Accounts and the Auditor General's report are presented to us much earlier this session, and if we receive them, they will elucidate matters that are agitating our minds to-day. In dealing with the financial position, I desire merely to provide a rough review and to make a comparison between the results of the last two or three years. The return of revenue and expenditure indicates that continued improvement in business conditions has assisted towards balanced budgets in all States. I do not think trade has flourished for many years past to the extent that was apparent during the last financial year. The trade report provides a good index of the national income, and I find that the goods handled at ports last year represented £3,000,000 more than for the peak period of 1928-29. That is an indication that our industries are picking up steadily. The value of the goods handled at ports last year was £4,000,000 more than for the previous 12 months. With all this, we do not seem to have overcome the problems confronting us. We do not seem to be able to put more people on to full-time employment. In that direction, improvement is very slow indeed, and the numbers of those engaged in industry are decreasing instead of increasing. Take the position in the South-West. Last year the volume of butter production was down considerably. The acreage under wheat last year was about the same as for the previous 12 months, but there was a reduced yield. The wool clip declined considerably. All this shows that if we were to turn our attention to these matters—this is the point I wish to make—our legislation should be framed with a view to placing our industries on a better footing, and thus do something to absorb the people who are looking to the State to provide them with full-time employment. We cannot absorb them permanently on road work, for that will not eliminate the problem at all. If we construct a road, the men employed there are out of work as soon as the task is completed. If we were to build up our primary industries, it would be better. The agricultural industry employs more men,

directly and indirectly, than any other of our industries, and if we were to promote the interests of that industry to a greater extent, all these men would be taken off the Government's hands.

Mr. Marshall: Can you mention any country that has successfully built up those industries?

Hon. C. G. LATHAM: Yes. There is Great Britain.

Mr. Marshall: And there are 2,500,000 people unemployed there.

Hon. C. G. LATHAM: It must have been interesting to the Premier, when he was in England, to note how agriculture has progressed there.

Mr. Marshall: And so has her crop of misery and poverty.

Hon. C. G. LATHAM: The member for Murchison (Mr. Marshall) knows that that is not a fact. The condition of the men employed in the agricultural industry in England to-day is better than ever before in the history of Britain. The Minister for Agriculture and the Government there have realised that they started at the wrong end when they set out to promote the interests of secondary industries. The fact was that the people were too poor to buy the manufactured articles turned out by those secondary industries, and so the Government are endeavouring to promote the interests of primary industries. If this State were to legislate in that direction, we would be able to do a great deal towards building up permanent employment for our people. I hope we shall turn our attention more and more to the primary industries of the State.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. C. G. LATHAM: Before the tea adjournment I mentioned that the returns of revenue and expenditure for the year indicate that continued improvement in business conditions has assisted the movement towards balanced budgets in all the States. The trade at ports is a good index. The value of goods handled at ports last year was £4,000,000 more than in the previous year. The value of exports last year was £600,000 more than that of the year before, despite the decreased production of wheat and wool. It is admitted of course that gold helped materially, because £7,791,000 worth of gold was exported from the State. Wool

exports were down last year by 20,000,000 lbs., with a corresponding decrease in value of over £500,000. Wheat exports totalled 1,117,000 bushels less, but the value was £800,000 more. As I pointed out previously there was an increase in national income, and on account of that increase, there was more Government revenue, and that materially assisted the Government in balancing the Budget. This condition was applicable generally throughout Australia. While we envy the Federal Government for their increased revenue, we know that if the States enjoy increased revenue there must be increased revenue for the Commonwealth as well. I mention this matter, because I notice that reference was made in the Governor's Speech to the improved position. But, after all, while there has been an increase in the national income and more money is coming into the Treasury, the condition of some industries is still very low. Last year there was a deficit of £371,000, compared with a surplus of £88,000 the year before. I did not agree with the views expressed in the Lieut.-Governor's Speech that the cause of that deficit was the reduction of the Commonwealth grant by £300,000. The returns do not support that claim at all. As a matter of fact, the revenue for 1936-37 was £152,000 more than that of the previous year, when the grant was £800,000, against £500,000 last year and was £325,000 above the revised estimate. That was the revised estimate after the reduction of £300,000 had been made upon its being found that the disabilities grant had been reduced by that amount. Had the Treasurer not exceeded the expenditure for which the Estimates provided he still would have had a surplus of £25,000.

The Premier: He would not have had revenue if he had not spent money to get it.

Hon. C. G. LATHAM: That is a very good thing. If we are going to spend money in order to get revenue, we might, of course, build up a very huge surplus. I cannot agree with that. Repeatedly we on this side of the House have been charged with having established a record deficit, and while, of course, there is nothing to commend us for having established a record of that sort, there was justification for it, when we remember that last year the revenue alone exceeded by £770,000 the total revenue and loan funds for the year 1931-32, during which that big deficit of £1,557,000 occurred. Those figures will give members of the House some idea of the

difficulties which the previous Government had to face at that time. Last year the Government's receipts on both revenue and loan accounts exceeded those for 1931-32 by £3,183,000, so that shows that after all the Government cannot complain about insufficient revenue. Allowing for the difference in deficits between the two periods we find that last year the expenditure exceeded that of 1931-32 by £2,000,000. That is, taking into consideration the total revenue, loan funds and deficits, this Government had £2,000,000 more last year than we had in 1931-32.

The Premier: We did not have 17,000 or 18,000 people out of work.

Hon. C. G. LATHAM: I am talking about the amount we had to spend. We had to provide £600,000 for sustenance for workers. I contend that with the additional amount of money the Government had at their disposal the whole of the men on part-time work should have been put on full-time employment. There should have been sufficient money for it. I think the Premier will agree that that point was not raised merely from a party bias point of view at all. I contend that if £500,000 had been set aside from that record revenue of £10,000,000 to establish those industries that are languishing for want of assistance, something of permanent value would have been secured. I have always contended that the Government should set aside at least £500,000 for the purpose of re-establishing our agricultural industries. It would only be by way of advances to the producers, because the money would be repaid. At present the industry is going back very rapidly.

The Premier: The only thing that will re-establish the industry is increased prices.

Hon. C. G. LATHAM: The prices are here. I have pointed out that with the reduced output we brought into this State no less than £800,000 more last year than in the previous year. But the trouble is that these people have not the money to renew their plant and their power, and the result is that instead of good farming being done we have bad farming. When the number of people who have left their holdings in the last few years is taken into consideration it will be recognised that it is a very serious matter to the State. I suggest to the Premier that if he does want to re-establish the industries of this State and absorb the unemployed, he will find that he must first turn his atten-

tion to assisting our primary industries. That is one thing. The second is that the figures given afford some idea of the difficulties which the previous Government had to face and overcome and provide a complete answer to those who have continually criticised the huge deficits which occurred when the present Opposition were in power. Again, I want to refer to the enormous additional expenditure which has been taking place, an expenditure far in excess of what it has ever been before. Last year it was, I think, £400,000 more than that of the previous year. Despite the statement of the Premier and the Minister for Lands that everything is well in this State, there is only one way the Government can do anything that is likely to be beneficial to the State and that is by stringently-controlled expenditure. I am satisfied, on looking at the figures, that perhaps there is some justification for the remarks of the member for Roebourne when he said that the departmental heads were running the Government service. Of course, if what the hon. member says is true, and the departmental heads are running these services, they have no interest outside their own immediate circle, and so they cannot be expected to put up a policy. It is difficult at any time to interpret the policy of a Government, and it is the function of Ministers to control. From my own brief experience in office, I am aware that it is difficult to get departmental heads to keep down expenditure. Frequently they come along with a perfectly reasonable story for increased expenditure. So, if the member for Roebourne is right, I say it is about time that Ministers should control the departments and stop this heavy expenditure. As I have said, it was the highest on record, £400,000 above the estimate for last year, and if the Treasurer and his Ministers had kept down their expenditure to anything like the estimate, then instead of having a deficit of £300,000, we would have had a surplus. Of course, the more extravagant the policy, the more assured it is of general acceptance. Ministers entertain the idea that all they have to do to achieve prosperity is to spend money. But only the big merchants agree with Ministers in that. All that they are concerned with is to have a big turnover and a big income at the end of the year, after which, frequently, they send their money out of the State for investment. I have known such men having large returns and being afraid to leave their money here. I am not prepared to take the advice of such

men. I say the only way to prosperity is to build up our industries. Take the gold mining industry.

The Premier: Who built up that industry?

Hon. C. G. LATHAM: The price of gold has been the chief factor. It has attracted overseas capital here. Of course the Government have not done much to discourage that industry.

The Premier: We have encouraged it.

Hon. C. G. LATHAM: It does not require encouragement; the price of gold is sufficient to attend to that.

The Premier: Why cannot the wheat industry be similarly built up?

Hon. C. G. LATHAM: Gold is speculative and will attract the speculator, but you cannot get people to put money into farms already overloaded with debt. If the Government do not get back the whole of the £500,000 that I ask them to spend on the agricultural industry, at all events it will serve to bring in additional income for the State. A policy of uncontrolled expenditure must ultimately bring us face to face with the position which confronted the State in 1929. I remember the member for Boulder (Hon. P. Collier) on both sides of the House, on the Government side as well as on the Opposition side, warning the people that this extravagant method of expenditure publicly and privately could not get us back to prosperity. To-day all that we are doing is borrowing all the money we can get hold of, spending it wisely and unwisely, and increasing the cost of living. This lauded increase in the basic wage is mere bluff; a man gets, say, an extra £1 a week, but at the end of the year the people are no better off. Our export industries are the only factors that count. We could not live a year in this State if we did not export gold, wool, wheat, butter, timber, and the other commodities. At present we are making it harder for the people to produce those commodities.

Mr. Tonkin: Is this an argument for a reduction of the basic wage?

Hon. C. G. LATHAM: No, it is nothing of the sort. Unless we build up our industries commensurate with the amount of money we are spending in foolish ventures, we can never hope to get anywhere.

The Premier interjected.

Hon. C. G. LATHAM: I pointed out a little while ago that gold was responsible for 37 per cent. of the total value of our ex-

ports last year. I do not know whether there is any truth in the statement that Britain and America are the only countries purchasing gold to-day. If that is so, we do not know how long they will be on the market for it, nor what the result will be when they cease buying. I say that while the price of gold is up, let us do what we can for our other industries. One has only to travel through the agricultural areas to see dilapidated fences, broken-down machinery and aged horses. Some farmers are in rather better position, but taking a general line we find that the situation as a whole is pretty difficult. The Government should take steps to assist the industry.

The Premier: Surely you are not saying that the Government are not assisting the farmers?

Hon. C. G. LATHAM: No, but I want the Government to assist them to a still greater extent. The Minister for Lands has stated to-night that the Government provided from revenue £160,000 for the farmers last year. When the Estimates are introduced, we shall have greater information, but at present it is largely guesswork, that and the reading of statements submitted to us by the Press.

The Minister for Lands: The Labour Government have done more for the farmers than have any other Government.

Hon. C. G. LATHAM: The Labour Government have had more money than have other Governments, and when we consider the number of years the Labour Government have been in office in this State, we realise that more is expected of such a Government. The taxation collections last year totalled £2,204,000, including financial emergency tax £971,000, or 40 per cent. of the total receipts. Taking 1929-30, the best year we ever had, the income tax and the land tax—which was then imposed on all lands—and the dividend duties tax for that year totalled less than the £971,000 of financial emergency tax this year.

The Minister for Lands: Who pays it?

Hon. C. G. LATHAM: I am pointing out how very much more money the Government have to-day.

Hon. P. Collier interjected.

Hon. C. G. LATHAM: You promised you would not interject. The burden of taxation in Western Australia to-day is heavier than it is in any other State of the Commonwealth, except Queensland. Conse-

quently, the people of this State are asking the Government to reduce taxation. In 1931 the taxation per head of our population was £3 6s. 5d. In 1935-36 it had risen to £6 3s. 5d., or nearly double the amount for 1931-32.

The Premier: Tell us what has been done in the other States.

Hon. C. G. LATHAM: I am telling the Premier the increase in taxation per head of the population. I have pointed out that Western Australia is the highest taxed State in the Commonwealth with the exception of Queensland. There has been a reduction of taxation in nearly every other State, but here, instead of a reduction, there has been an increase. The proceeds of the financial emergency tax have increased from £220,000 in the first year it was imposed to £971,000 last year. It is significant that taxation per head is higher in those States controlled by Labour Governments, namely in Queensland, Tasmania and Western Australia.

The Premier: It might be significant, but it is not true.

Hon. C. G. LATHAM: The Premier can check the figures and he will find that I am right.

Hon. P. Collier: You were a member of the Government who introduced the financial emergency tax.

Hon. C. G. LATHAM: And we introduced it for only a short period. When the Labour Party took office, Parliament was called together at an earlier date than on any other occasion since I have been a member in order that they might reimpose the tax; it was such a good thing. There was a great fight against the tax at the time, but it has proved a wonderful baby ever since and it has been well nourished by the present Government. A claim is made in the Speech that the number of men now depending upon the Government for sustenance or relief work is 6,400 compared with 13,800 in 1933, when the Labour Party returned to office. In 1933 the number of men employed in the mining industry was 9,700, whereas the total number to-day is 16,652, an increase of nearly 7,000. That increase is equivalent to the difference between the number of men on the books of the Government in 1933 and the number to-day. Thus practically the whole of the men reabsorbed into industry have been absorbed in the mining industry.

Despite the fact that other industries have improved, it appears as if we had suffered a setback in some direction or other. The setback, of course, is due to the fact that there has been no agricultural policy carried out in the State during the last year or two. The Government will claim, as the Premier attempted to do a little while ago, that the increased production of gold was due to the present administration.

The Premier: No, I did not.

Hon. C. G. LATHAM: The figures published from time to time clearly show that the increased price of gold was the only factor responsible for the improvement in the mining industry. Two years ago an appeal was made to the people of Western Australia for funds, the appeal being known as the Motherhood and Youth Appeal. I believe that £50,000 was raised from all sources. Yet, two years afterwards, we find that very little has been done. It has taken two years to get anywhere near some sort of policy for the improvement of conditions under either of those headings. I believe that a month or six weeks ago a start was made to construct a hospital at Subiaco. What has been done for unemployed youth, I do not know. I have been told that some of the money was used to build a school at Narrogin. I do not believe that the money was raised for that purpose. The public could not be expected to make direct contributions to a fund in order to build up for the Government assets that should be provided from other sources. A few months ago the Government saw fit to appoint a Royal Commission to inquire into youth unemployment. Recently the Federal Government announced their intention to hand over to the States sums of money totalling £200,000 for the assistance of unemployed youth. The allocation was to be as follows:—

	£
New South Wales	77,000
Victoria	52,000
Queensland	25,000
South Australia	20,000
Western Australia	17,000
Tasmania	9,000

The Federal Minister, in making this announcement on the 4th June, intimated that only New South Wales, Victoria and South Australia had so far carried out the undertaking given by all States more than three months before to make a survey of youth unemployment and supply the figures

to the Commonwealth. No reports, he stated, had been received from Queensland, Tasmania or Western Australia, and this had made allocation of the grant difficult. We in Western Australia already had some money on hand for this purpose, and it is surprising if some information was not available to the Government as to the manner in which the money should be spent in order to give effect to the wishes of the people who had contributed it. Whatever the Government do, I hope they will take some action to provide for vocational training. By the laws of this State we have deprived youths of the opportunity to learn trades. I make that statement, fully appreciating its import. By legislative enactment, that is what we have done. We have handed over to the Arbitration Court the power to decide whether there shall be apprentices in industry or not. The power has been taken away from this Parliament and given to another tribunal, but it is up to us to do something to ensure that the youth of this country are given a start with some training that will assist them to earn an income. The Government's method of putting them to work on roads or in the forests is not going to help our young men. Every boy who can possibly be trained should be trained in some way or other. Even if he has to revert to road making afterwards, even if he has opportunity to work in his trade or profession only once or twice, he will be the better boy for having been trained. I hope that Western Australia will do what some of the Eastern States have done. I will not name those States because I do not wish to make comparisons. Certainly the Government here should do something towards inaugurating vocational training for the youth of the country. This has been done in almost all parts of the world. The same problem exists everywhere. We have a responsibility to the youth, and this Government and this Parliament should face it. I feel sure that the Premier will assist in that direction in any way possible. I observe that the railways have increased their loss this year. Last year the loss was £167,000 compared with £57,000 in 1935-36. Evidently there was some increase of traffic as indicated by the increased trade at the ports, but the values may have had something to do with it and there might not have been a large increase in the volume. In 1933 the Premier, then Minister for Railways, introduced legislation

to ensure that the railways secured a fair amount of the traffic to which they were entitled. We treated the people then engaged on road transport very unfairly. Most of them had invested their life's savings in plant and equipment, and almost with a stroke of the pen, we deprived them of the right to earn a living. Yet last year's deficiency on railway operations was only £5,000 below that of 1932-33, the last year of unrestricted motor competition. Evidently there has been some slipping in the management of the railways.

The Premier: If you had kept repairs up to date, conditions would have been different.

Hon. C. G. LATHAM: The excuse offered is that the railways had to put on extra staff and had to undertake the carting of water. Those are weak excuses.

The Premier: We have been rehabilitating the railways to the extent of hundreds of thousands of pounds; in fact half a million.

Hon. C. G. LATHAM: All that money was not provided out of revenue. The difference in the quantity of water carted last year as compared with the year before was about 1,000 tons. In 1935-36 the quantity carried was 25,518 tons and last year it was only 24,269 tons. Consequently the excuse of water cartage is not worth anything at all. The number of employees has been built up and up until the railways are getting back to the position of being overstaffed. When we consider the quantity of freights carried, we find there has been a gradual increase. In 1933, 7,370 men were employed on the railways, and last year the number was 8,526. No utility can be expected to balance its budget if it is going to be overstaffed in this way.

The Premier: They were very much understaffed and lacking in maintenance when you were in office.

Hon. C. G. LATHAM: We have heard that argument over and over again.

The Premier: It is true.

Hon. C. G. LATHAM: We know that over a number of years very little has been done, except in respect to regrading. There is still a lot of rolling stock out of repair. I understand that quite a lot of rolling stock has been sent overseas as scrap iron.

The Premier: No.

Hon. C. G. LATHAM: I can get the exact quantities. The effect of the transport legis-

lation has been temporarily to check the wheels of progress, with little or no improvement in the financial position of the department. It is up to the department to give the people of the country the service it was promised the railways would give when Parliament was asked to agree to the Transport Co-ordination Act.

The Premier: You know that railway freights have been reduced.

Hon. C. G. LATHAM: They have not been reduced a great deal.

The Premier: If you say that, you do not know what has been happening.

Hon. C. G. LATHAM: In what way have railway freights been reduced on wheat or on wool.

Hon. P. Collier: You could not reduce the freight on wheat.

Hon. C. G. LATHAM: It would be beneficial if the freight on wheat was reduced. It has been done in the Eastern States.

The Premier: The freight on wool has been reduced.

Hon. C. G. LATHAM: I wish to back up what I have said about assistance to industries, and the effect such assistance would have upon the welfare of the State. There has been a steady decline in wheat production since 1930-31, when we had the record yield of 53,000,000 bushels. In that year, the area under crop was 3,900,000 acres. In 1936, the area under crop was 2½ million acres for a yield of 23,000,000 bushels. In 1936-37 it was also 2½ million acres for a yield of 21,000,000 bushels. There has therefore been a decline in the area under crop of 1,400,000 acres since our peak year, and the yield has fallen by 32,000,000 bushels. If, with prices as they are to-day, we could build up the agricultural industry, we can imagine the amount of new money which would come into the country, and how easily the difficulties of the Government would be solved. No industry employs the large number of men the agricultural industry does. In 1935-36 the wool clip was 60,000,000 lbs., the smallest since 1928. That is not the fault of the Government, but is due to drought conditions. We ought to do as much as we can to assist these industries, because of their importance to the State.

The Minister for Mines: Do not you think we did anything last year?

Hon. C. G. LATHAM: I know the Government introduced legislation permitting the Minister for Lands to suspend or write

off rents due on pastoral leases. I am satisfied that if these two industries were re-established, and the Government were to build up an agricultural policy, there would be little to complain about on this side of the House. But there has been complete neglect of these industries. If the Government intend to build up secondary industries without establishing the primary industries, the whole thing will be lopsided, and we shall not long continue to live in an artificial prosperity.

The Premier: How would you do it?

Hon. C. G. LATHAM: The member for Roebourne (Mr. Rodoreda) said he did not know how to solve the problem. If we established more sympathetic control by the Agricultural Bank, and provided half a million pounds a year for advances to those farmers who could usefully employ the money, we would be able to do much with the agricultural industry. Not only would the investment return half a million pounds annually direct to the Treasury but, I venture to say, would lead to the return of a million annually, and would lead to the wiping out of many of the debts incurred through bad seasons. This is our only source of prosperity. A policy has been followed for a long time in this State of attempting to build up and encourage primary industries. A lot of money has been spent in doing that, and a lot of money has been wasted also in doing it, but there is no other road to prosperity except through that channel.

The Minister for Employment: Two inches of rain would go a long way in that direction.

Hon. C. G. LATHAM: Yes, but of what use is it to have rain falling upon abandoned farms? What use is rain upon a good farm if the farmer has not the tools with which to work his farm and plough the land and harvest the crop? The longer the Government are in office, the more abandoned farms will there be. The system of placing men on Government relief work will not assist us to return to normal conditions.

The Minister for Lands: The miners are not talking about abandoning their mines. The hon. member is always making gibes at us over the farmers.

The Minister for Mines: He should have shown us what to do when he was in office. All that has ever been done has been done by us.

The Minister for Works: I am beginning to be suspicious of the Agricultural Conference.

Hon. C. G. LATHAM: The member for Roebourne (Mr. Rodoreda) said he hoped the industrial legislation of the Government would be better treated by another place this session than was the case last year. If it were not better treated, he suggested that the Government should have a little more stiffening, and should take the fight into the enemy's camp. We are with him in that. I intend to be a little more plain-spoken than the hon. member was. I suggest that the moment a Government Bill is rejected by another place, they should go to the country and see whether the country supports them. That is the thing to do, and the proper way to do it. There is no other way. Let us take the fight into their own homes. Let us see if the people are prepared to support the policy of the Government.

The Premier: We will take them on.

Hon. C. G. LATHAM: The first time some industrial measure is rejected by another place, I hope the Government will follow this advice. The only way is for them to tender their resignations and go to the country, and determine who is to be the master of this State, the people's House or the landowner's House. As I have pointed out before, members opposite are not a very happy family. It is of no use the Government saying that the prosperity of the State is out of their hands. They have had additional revenue to spend, and additional loan funds to spend, and they could at least do something towards the restoration of our industries.

The Premier: It is only you who do not think the Government have done anything.

Hon. C. G. LATHAM: That may be so.

The Premier: It is so.

Hon. C. G. LATHAM: Nowadays it is not the Government who determine the policy; it is Trades Hall. When I take up the paper I notice that instructions are issued to the Government. I read that instructions were issued for certain industrial legislation to be re-introduced. I read that there was to be no agricultural legislation until this other legislation had been approved of. Those were the instructions. I know that the trolley bus business comes as an instruction from Trades Hall.

Mr. Cross: Don't be silly.

Hon. C. G. LATHAM: Of course that is so. I know the Government are composed

of men of common sense who realise that this is a waste of public money, but they are forced onwards by their masters outside the House to carry out that policy. This is something quite new that we can do. The Trades Hall, of course, dictates the policy without having any responsibility. Next, I wish to say a word or two about the Minister for Lands. The hon. gentleman takes credit, and rightly too, for the board dealing with rehabilitation of our agriculturists. Undoubtedly the board have done excellent work. In fact, they have done more towards adjusting the settlement of rural debts than has been done in any other Australian State. However, there is one quarter in which difficulty is encountered, the department of the Minister for Lands himself. It seems to be quite possible to get the Agricultural Bank Commissioners to agree to writing down; but where repurchased estates are concerned, with terrific loads of debt, the Lands Department cannot be induced to budge an inch.

The Premier: Oh!

Hon. C. G. LATHAM: That is true. In the northern part of the State there has been considerable writing down; but if a line is drawn east and west at a certain point, there has only been 2s. per acre written off some of the land. Before the session closes we shall find out where the writing down has been done. South of a line running east and west considerably north of the gold-fields, nothing has been written off repurchased estates. Until the Minister for Lands is prepared to meet the Agricultural Bank and the Rural Relief Board, there will be no hope whatever of adjusting the accounts of farmers settled on repurchased estates. The land on those estates is good land; nearly all of it is good, if not the whole of it. Yet some of that land has been loaded to the extent of £4 per acre by the Lands Department. On top of that load there is the Agricultural Bank, and on top of that again there is sometimes a second mortgage, and finally on top of all there may be outside creditors. What hope have those farmers of adjusting their accounts? There can be only one of two results. Either the Lands Department must take into consideration the prices with which those farmers have been loaded—

The Minister for Lands: Only last session you denounced the Agricultural Bank.

Hon. C. G. LATHAM: I shall probably denounce the Agricultural Bank again a little later.

Mr. Patrick: Many cases are held up by the Bank.

Hon. C. G. LATHAM: Of course, and the Minister for Lands knows it perfectly well. Now that the Premier is back, the Minister for Lands is free to pay a little more attention to his own department. Admittedly, during the Premier's temporary absence the Minister for Lands has had a little extra to do; but we ask him now to get to work and see that those adjustments are made.

The Minister for Lands: What did you do to write down repurchased estates? You did nothing.

Hon. C. G. LATHAM: The present Minister for Lands has been in office four years since then.

The Minister for Lands: You were in office for three years.

Hon. C. G. LATHAM: The Minister knows that that time was not opportune for writing down. If we had written down then, there would have to be further writing down now. Prices to-day are at a point where ends can be made to meet. We know very well that all the liability which is justified has now been incurred. Therefore the present is the proper time to write off. Why did not the Minister for Lands do it in his first year of office? He asked me one question, and I ask him another. As regards water supplies for agricultural areas, it has been demonstrated during recent years that agriculture cannot be carried on with the meagre water supplies that are available. True, the goldfields water scheme has been extended wherever possible; but much more can be done. When one visits the Eastern States, one finds all the Governments there doing a great deal to furnish water supplies to agricultural areas. I appeal to the Government to see whether it is not possible to do something in that respect for the agriculture of Western Australia.

The Premier: You know we are the only people who ever did it.

Hon. C. G. LATHAM: Naturally the Premier says that. Let us take the last 14 years. During that period this side has been in office for only three years.

The Minister for Mines: Nine years. You had six previously.

Hon. C. G. LATHAM: This is the fifth year since we were in office.

Mr. Marshall: What about previous to then?

Hon. C. G. LATHAM: There was hardly any agriculture before that.

Hon. P. Collier: We provided all the agricultural water supplies.

Hon. C. G. LATHAM: Lord Forrest provided the main supply. At the 30th June, 1936, the capital cost of hydraulic undertakings other than metropolitan and goldfields schemes totalled £1,600,000. At the same date the capital cost of metropolitan water supply, sewerage and drainage stood at £6,800,000. Whilst we have no complaint to make about the metropolitan area getting an adequate water supply, we say that the industries of the State must be kept going. Industries must be built up so that they can maintain the cities. If we do not give our industries the necessary water supplies, we shall not obtain from them as much support as is possible. Since June of 1933 the expenditure on agricultural water supplies has amounted to £579,000, and that on metropolitan water supply, sewerage and drainage to £2,444,000. We ask for a somewhat better distribution of the money. There are only one or two other matters to which I desire to refer. It is hardly necessary for the Opposition again to draw the Government's attention to the policy of compulsory unionism.

Mr. Wilson: Oh, don't do that!

Hon. C. G. LATHAM: We have heard sufficient about their compulsory unionism in connection with part-time employees. Now the Government have gone a step further; and if Press reports are to be relied upon, they stipulate in their contract forms that tenderers must be men employing union labour.

Mr. Wilson: Why not?

Hon. C. G. LATHAM: Let us carry that policy to its logical conclusion. If there is a change of Government, are we to stipulate that not only the tenderer but also his employees shall be members of our political organisation? Any such policy is quite wrong. The principle is absolutely wrong. One would have thought that the Government had been convinced of that by the recent elections at East Perth, where they went to the people and fought this issue, where they had two elections and

sustained a decisive defeat on both occasions. Nevertheless, they propose to go further. What will be the ultimate result? It must be to limit tenders for supplies to Government departments. Instead of having competition, the Government will have merely one or two tenders, involving higher prices for the things the Government have to purchase. I repeat, such a policy is absolutely wrong. Moreover, it is not the policy of the Government, but again the policy of the Trades Hall. The Government would be wise to refrain from that kind of action, because if it is persisted in, then with changes of Government it must eventually mean chaos not only in industry but everywhere else. There can be no question that if the policy is continued, it will mean a diminution of competition. I understand we are likely to have legislation on two subjects proposed by private members. One private member has given notice of his intention to introduce a Bill dealing with starting-price betting. That matter was ventilated last session, but not sufficient has been done in this State. It is not a question of the people having a right to bet, but of the Government enforcing the law. There is the question of Sunday trading on the goldfields. I do not know whether or not the goldfields are justified in having hotels open on Sunday, but I do know that the Government are entitled to enforce the law. If there is to be amendment of the law, the Government should come here and ask Parliament to amend it. If it is necessary for the goldfields community to have longer hours of trading for their hotels—and we have already assented to longer hours for them on one occasion—and if it is necessary for the goldfields community to have their hotels open on Sunday, let those things be done by legislative enactment. The Premier knows that in the Old Country hotels are open on Sunday during certain hours. Do not let us flout the law here. Do not let the Government say, "We will enforce the law in the City of Perth, but not on the goldfields." There can be only one ending to that sort of thing, and that is to hold the Government up to ridicule. I have no great knowledge of the position on the goldfields in this regard, but I have read the comments which have been made. My conclusion from those comments is that the proper course is to amend the law so as to make it possible for the

goldfields people to have a drink on Sunday if they want it. Let the law be amended instead of being broken not only by the people but also by the Government.

The Minister for Works: That is the one helpful suggestion you have made.

Hon. C. G. LATHAM: I should be very glad to have it adopted by the honourable gentleman interjecting, if he were still Minister for Police. While he did hold that portfolio I told him definitely in this House, "You have the police going to Subiaco and permitting open betting at athletic sports there, and you also have them going to York and prosecuting people for betting at such sports." Under such conditions there is no fair administration of the law. It is about time the Commissioner of Police was instructed to carry out the law, and if that law requires amendment, let Parliament be asked to pass the necessary legislation.

Mr. Raphael: Why should not the book-makers on the racecourse be prosecuted as well as those who operate outside? Why allow one section to operate, and punish the other?

Hon. C. G. LATHAM: We have not handed over power to Ministers to enforce the laws, they are bound by their oaths to do that. We pass legislation to amend laws, and send that legislation to another place for approval. Then the amended laws become effective. It is not the prerogative of the Government to make or break laws.

Mr. Raphael: We amend laws here and the Council throw out the legislation.

Hon. C. G. LATHAM: It is not pleasant to have to find fault, but if we wish democracy to stand as it has over a number of years, the only way by which that end can be gained is by treating the people fairly.

Hon. P. Collier: Good old word—democracy!

Hon. C. G. LATHAM: It is good, if carried out properly.

Hon. P. Collier: It covers a multitude of sins!

Hon. C. G. LATHAM: There can be no democracy where people in one part of the State are dealt with differently from those in another part. If there is necessity to amend the law, let us amend it; if it is necessary to make the punishment under the law more stringent, let us do so. This flouting of the law in one part of the State

and enforcing it in another cannot commend itself to sane people.

Hon. P. Collier: I do not think you know the meaning of the word.

On motion by the Premier, debate adjourned.

ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. J. C. Willecock—Geraldton) [8.23]: I move—

That the House at its rising adjourn till 7.30 p.m. to-morrow.

Question put and passed.

House adjourned at 8.21 p.m.

Legislative Council,

Wednesday, 11th August, 1937.

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The PRESIDENT took the Chair at 7.30 p.m. and read prayers.

QUESTIONS (3)—MINING.

Goldmining Profits Tax.

Hon. H. SEDDON asked the Chief Secretary: What was the amount received from the goldmining profits tax for the year ended 30th June, 1937?

The CHIEF SECRETARY replied: £89,090.

Mine Workers' Relief Fund.

Hon. H. SEDDON asked the Chief Secretary: What was the amount of the State contribution to the Mine Workers' Relief

Fund during the year ended 30th June, 1937?

The CHIEF SECRETARY replied: £16,330.

Miners' Phthisis Compensation.

Hon. H. SEDDON asked the Chief Secretary: 1, What was the amount paid on account of miners' phthisis compensation for the year ended 30th June, 1937? 2, What proportion of this amount was paid from the industrial diseases section of the State Insurance Office?

The CHIEF SECRETARY replied: 1, £82,479. 2, £27,342.

QUESTION—FINANCE.

Emergency Tax, Revenue, Expenditure.

Hon. H. SEDDON asked the Chief Secretary: 1, What was the amount received from the financial emergency tax for the month of June, 1937? 2, What was the revenue; and 3, What was the expenditure for the month of June, 1937?

The CHIEF SECRETARY replied: 1, £99,903. 2, £1,039,409. 3, £1,123,022.

COMMITTEES FOR THE SESSION.

On the motion by the Chief Secretary, Sessional Committees were appointed as follows:—

Standing Orders.—The President, the Chief Secretary, Hon. J. Cornell, Hon. C. F. Baxter, and Hon. J. Nicholson.

Library.—The President, Hon. C. F. Baxter, and Hon. G. Fraser.

Printing.—The President, Hon. E. H. Gray, and Hon. W. J. Mann.

Joint House.—The President, Hon. J. Cornell, Hon. E. H. Gray, Hon. V. Hamersley, and Hon. G. W. Miles.

BILL—SUPPLY (No. 1) £2,500,000.

First Reading.

Received from the Assembly and read a first time.

Standing Orders Suspension.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West): I move—

That so much of the Standing Orders be suspended as is necessary to enable a Supply Bill to pass through all stages at one sitting.

Question put and passed.