

from Bassendean around the northern part and crossing Beechboro-road is one, and another road is that which goes around Caversham and the northern portion of the district. The time will come when the Minister will probably be looking for avenues for the spending of money on developmental roads as a means of providing employment for married men. When that time comes, he may be able to give consideration to the roads I mention. Then there are Benari and Ivanhoe roads in the Bassendean district, which need attention. They were affected by the diversion of traffic from the main roads on account of the floods at Caversham. Those roads were constructed to assist the settlers and have been cut up considerably by the heavy traffic that was diverted on that occasion. It is seven years since the Ivanhoe-road was constructed, and at that time the Government subsidised money made available by landowners for the purpose of constructing a developmental road to serve the primary producers. As the road was not constructed solidly, it was quickly affected by the heavier traffic. There are one or two other points I wish to raise. The school at Bayswater is overcrowded and there is great need for extensions there. About 500 children attend the school and I hope that before long the Minister for Education will be able to give his approval for the erection of sufficient accommodation to adequately house all the children. Another matter that will have to be tackled sooner or later relates to the Rivervale crossing. Not long ago a serious accident was narrowly averted there when 20 people in a bus escaped losing their lives. It is a dangerous crossing on a main road, and a subway should be constructed there. That is not a question affecting the people of Middle Swan only, because it affects the people generally. The works I have mentioned are such that the Government might well consider undertaking them in order to relieve unemployment. I have nothing more to say on the motion for the adoption of the Address-in-Reply except to thank hon. members for the courteous hearing they have given me.

On motion by Mr. Thorn debate adjourned.

House adjourned at 10.34 p.m.

Legislative Council,

Thursday, 11th September, 1930.

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

QUESTION—MINISTERIAL SALARY.

Hon. G. FRASER asked the Minister for Country Water Supplies: 1, Is he aware that the Hon. the Chief Secretary has applied to the Arbitration Court to increase the hours of certain unionists employed in his department, from forty-four to forty-eight per week, on the ground of financial stringency at the Treasury? 2, Is he also aware that the Hon. the Chief Secretary at the same time continues to practise his profession as a barrister in the Supreme Court? 3, Will the salary of the Hon. the Chief Secretary, in his ministerial capacity, be reduced by the amount he earns by practising his profession?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: 1, Yes. 2, Yes. He is engaged in winding up his practice, and will in any event retire at the end of the present law term. 3, No.

ADDRESS-IN-REPLY.

Eleventh Day.

Debate resumed from the previous day.

HON. G. W. MILES (North) [4.33]: May I first join with others in offering you, Sir, my congratulations on the high honour His Majesty the King has been pleased to confer upon you, an honour that is justly deserved. I am very pleased to know that His Majesty has recognised your splendid services, not only to the State, but also to the Empire. With other members I regret that we have lost a colleague in the late Mr. J. R. Brown, who was a most lovable man. I humbly offer my condolences to his relatives. I wish to congratulate the new members we have amongst us and I hope,

as indeed I expect, they will prove to be an acquisition to the House. Also I want to say how sorry I am that the Chairman of Committees, Mr. Cornell, and the Clerk of Parliaments, Mr. Parker, should both be laid aside through illness. They will soon be with us again. I was rather disappointed to find there was no very definite announcement in the Governor's Speech regarding the economies the Government intend to effect. In accordance with Press reports, I am looking forward to some economy proposals in the Budget. Just the same, I regard those proposals as being three months late. Professor Giblin, Professor of Economics at the Melbourne University, stated some months ago that Australia was £50,000,000 behind and that if we tackled the problem at once we should get out of it with an all-round reduction of 5 per cent., whereas if we let it go on for six months we should find ourselves £150,000,000 behind. We have gone on drifting for the last three months, and so I take it the present position is that we are £100,000,000 behind and that recovery spells an all-round reduction of 10 per cent. From this it is clear that if we continue drifting for still another three months we shall be £150,000,000 behind, which will necessitate an all-round reduction of 20 per cent. to recover our balance. I hope that all parties will agree with the attitude taken at the Premiers' Conference and assist Mr. Scullin and the State Premiers to balance their respective budgets. I do sincerely hope to see an end of the party bitterness that has existed in the past, for it is the economic position, not party politics, that is going to decide the future of Australia. We have heard it said that one element in the Labour Party is out for repudiation. I regret some of the remarks made by the Deputy Leader of the Labour Party in this State. Instead of his working with the Government, according to his own utterances he is out to harass them 'all he can. I want to say how pleased I was on getting the Minister's replies to the questions I asked in the House the other day regarding the timber industry. It had been insinuated by persons connected with that industry that there had been some underhand work going on regarding the stores supplied to men on strike. When it was put to me, I concluded that the best thing to be done was

to have the subject ventilated. In fairness to Mr. McCallum it was only right that those questions should have been asked and, as I say, I was very pleased with the Minister's reply. It served to clear the atmosphere. The suspicions entertained regarding Mr. McCallum's administration were completely dispelled by those replies given by the Minister. I wish to refer briefly to one or two of the remarks made by Mr. McCallum. Alluding to the Premier he said, "What a sorry figure the Premier is cutting now! Work for all! Work for all!" Later he said that that was the Premier's unemployment policy and that he, Mr. McCallum, proposed to lose no opportunity of reminding the Premier of his false promises to the people during the election campaign and exposing to the public the Premier's hypocrisy in deluding those who were out of work and destitute. Then Mr. McCallum said, "We are out for him politically." He concluded by declaring he intended to give the Government no peace so far as their election promises were concerned; that he was going to expose the Government to the people for their hypocrisy and show what false statements they had made and how they had deceived the electors. He said he would not let up in his attitude, so that the next time the Government went to the people, the people would be able to place a true value on the promises made to them. Practically he said the present Government were elected under false pretences. Although I do not agree with every statement the Premier made in his policy speech, Mr. McCallum's remarks were by no means fair. At such a time as the present, I think it would be more becoming in the Deputy Leader of the Labour Party in another place if he were to drop all this bitterness and work with the Government. Also I want to place on record my own opinion of the late Government's defeat. I want to say they acted the part of bushrangers, in the framing of the Legislative Council's elections by allowing only ten days between nomination day and polling day, thus deliberately robbing 20 per cent. of the electors of their franchise, and trying to steal the North Province and other provinces. If Mr. McCallum is going to persist in his attitude towards the Government, I intend to let the people know at the first opportunity

how the Collier Government put that frame-up over the electors of the provinces. But I hope that Mr. McCallum will drop his attitude of carping criticism, and that both parties will work together for the benefit of the country. Mr. McCallum referred to our going to England to get assistance. Those remarks of his have been pretty fully replied to by both Mr. Nicholson and Mr. Seddon, who dealt with that portion of his speech. As to what Australia did during the war, Australia did her duty and was there looking after her own interests. Australians received every credit for the part they took in the war, and now they have to shoulder the burden. It is the duty of Australians to carry that burden and not go to the Mother country asking for assistance. As pointed out by Mr. Seddon, people in the Old Land are paying £13 income tax on salaries of £135. However, I will deal with that economic phase at a later stage. Meanwhile I want to refer to an economy that I think can be effected in the management of our railways. My colleague, Sir Edward Wittenoom—I am sorry he is not here to-day—is reported to have said that the railways are showing too great a loss altogether, and that the Commissioner of Railways should be instructed to make them pay. That, of course, is quite sensible. But I want to say to Sir Edward that I hope he will join me and other members in inquiring into one of the main costs of the running of our railways, namely, the cost of the coal supplied to the railways. I propose to quote figures in support of a request to the Government to appoint a Royal Commission to go into this coal question. Members, I presume, have read the report of the Commissioner of Railways, and we have had laid on the Table of the House the file in connection with the railway coal contracts. It is amazing to think that members of Parliament and the Press have not taken up this question years ago. I consider it one of the greatest scandals that have ever happened in the history of this State, the way in which the coal contracts are arranged. The Commissioner of Railways is supposed to be free from political control. That was the understanding when he was appointed. But going through the files, one finds that under the present system, which has been adopted during the last six or eight years, the Commissioner is practically in the hands of the Trades Hall. He cannot do anything with-

out referring to the unions. I want to quote some extracts from the file relative to the calling of a conference of the union to advocate the different coal orders. We are paying at present 19s. per ton for our coal at the pit's mouth, and the price of coal in New South Wales is 17s. 1d. to the railways of that State.

Hon. Sir William Lathlain: What is the difference in the calorific value?

Hon. G. W. MILES: Newcastle coal is about 50 per cent. better than Collie coal. About 155 tons of Collie coal are required to 100 tons of Newcastle coal.

Hon. J. Ewing: It is not as much as that.

Hon. G. W. MILES: A reliable authority informs me that it is so. If there is any doubt on the matter it is another reason why there should be an inquiry into the values of these coals. I wish to refer to the power of the unions and desire to quote an extract from the file, page 419, a paragraph on which reads as follows:—

To this end tests were conducted, the results of which are already known. Admittedly Cardiff coal, which the department would be only too glad to eliminate is, on the results of the test, an inferior coal to Griffin, but by reason of its lower calorimetric value the department is able to purchase Cardiff at a figure which makes it a more economic fuel than Griffin, which latter the miners' union has already intimated will not be mined if sold on other than a calorimetric value basis.

That is one place where the unions come in. It is appalling that the Government have to go to the unions before they can decide on the class of coal they are to use.

Hon. Sir William Lathlain: The seller is dictating to the buyer.

Hon. G. W. MILES: Yes, and we as a Parliament are supposed to have given the Commissioner of Railways power to run the system free of political control. The present system has been in existence for six or eight years. That phase of the question alone should be fully inquired into. I now wish to quote from page 60 of the file, and from a communication addressed by the Commissioner to the Minister for Railways, as follows:—

Further to my memo. of the 28th August, I have to report that tenders, returnable on the 26th ultimo, were invited for supplies of Collie coal, but the Tender Board advises that no tenders were received.

The mine owners will not even tender. It was stated recently by one member that

there was an unholy alliance between the capitalists and the workers. This is certainly the position in respect to the coal business. The mine owners refuse to tender.

Hon. E. H. Harris: That is called working in conjunction instead of in competition.

Hon. G. W. MILES: The minute continues—

I therefore propose, on the return of these papers, to get into touch with the existing suppliers and with the Griffin Coal Mining Company, with the view of ascertaining what they are prepared to do in connection with supplies on and after the 1st December next. A conference with representatives of the unions concerned will then be arranged in order that an agreement be arrived at regarding the allocation of orders, this being part of the procedure to which I am bound by the terms of the arrangement entered into at the time the existing contracts were decided upon.

Here is another paragraph—

As regards the question of price for coal, it was stressed by Messrs. Johnson and Lumb that the hewing rate was contingent upon the price paid, and that necessarily any reduction in the price would meet with strong opposition from the miners, whose wages would be affected thereby, and that in their opinion any attempt to lower the present conditions—which they stated have preserved industrial peace and satisfaction to all concerned for so many years—would be disastrous.

What are the coal mine owners and the miners themselves doing to assist in overcoming the economic situation and the problem of unemployment? The companies are receiving big dividends. I understand there are also two or three subsidiary companies. The directors meet once a month, and receive £13 as directors' fees for one meeting, and £6 6s. for each sitting at another meeting. That is part of the price the public are paying to the workers and the companies.

Hon. J. Ewing. They are not all the same.

Hon. G. W. MILES: They may not be all the same, but I believe that is the case with some of them.

Hon. Sir William Lathlain: It is bad enough if some of them are like that.

Hon. J. Ewing: Are they what are called "Guinea-pig directors"?

Hon. G. W. MILES: Apparently the men are not to be disturbed so long as the rest of the community is prepared to pay. I believe certain Collic interests endeavoured

to induce this House to pass a Bill legalising a certain 35-hour week, but we very rightly rejected it. I have here the case of two men working at Collic four days a week, and earning £18 2s. 6d., which is equal to £2 5s. per day per man. This is all done on piece work. Three other men earned £38 19s. 3d., which is equal to £3 5s. per man per day. Another party of four earned £44 1s. 9d., which is equal to £2 15s. per man per day. That is the price the rest of the community has to pay in order to maintain these conditions at Collic. An inquiry into the whole position is long overdue. Here is an extract from page 57 of the file—

As the existing coal contracts expire by effluxion of time on 30th prox., and as a desire has been expressed by one of the parties to the joint agreement between the department, the State Ex. A.L.P., the Loco. Engine-drivers, Firemen's and Cleaners' Union and the Miners' Union, that a conference shall be held to discuss the allocation of orders under a new contract, I am directed by the Commissioner to convene a conference of the parties to be held at his office at 10.30 a.m. on Friday next, 1st November.

Hon. J. M. Drew: Does the file show who originated the system?

Hon. G. W. MILES: I do not know when it originated. It has been in existence for some years, probably from a time prior to the Collic Government coming into office. All sorts of innuendoes have been cast around the country concerning Ministers and officials. I do not believe them, but these things should be inquired into. At the last election the Labour Party referred to "the coal scandal." I think it was also referred to at the previous election as well as the sandalwood scandal. I have here a statement which is authorised by the present Minister for Railways, replying to a dodger sent out by a political organisation.

Hon. E. H. Harris: Who issued it?

Hon. G. W. MILES: The present Minister for Railways. I think it was during the regime of the Administration of which the present Minister for Railways (Mr. Seaddan) was a member that the system I refer to came into existence, and it has been continued right through. It is not a scandal in the sense that it appeared to be, but it is a scandal from the point of view of the taxpayers that they should have been treated in this fashion. We are paying more for our coal than we ought to. It is a fine thing to keep our money in the

country by buying local products, but we do not want to be robbed. That is practically what it amounts to when we remember the price we are paying for coal, the hours the men are working, the money they are earning, and the dividends that are covered up by these companies. The statement to which I refer is as follows:—

The "Scandal" consisted of the fact that under this agreement made by Colonel Pope in his capacity of Commissioner of Railways, he removed the clause under the old agreement giving the right to either party to give three months' notice to terminate the agreement. This was done after the unions—mines and railways—had agreed to the exclusive use of local coal for railway purposes, and in response to the desire of the Collic miners to give them security of employment, and in return for which they guaranteed continuance of supplies.

The other point in the so-called "Scandal" was the deletion of a clause reserving the allocation of 20 per cent. by the Commissioner in any way desired.

This action was prompted by the same reason, and it can be said that at that time no other mine, either at Collic or elsewhere, could be in a position during the term of the agreement to supply coal of the nature required by the department, and demanded as a part of the undertaking by the Railway Union. The proof of this is in the fact that the present Government have continued the old agreement, and obtained its supplies from the same source and under the same agreement twice.

This is Mr. Scaddan's statement referring to the Collier Government—

True, they reinstated the old provision of 20 per cent. reservation merely to save their faces. In 1926, on the expiration of the agreement called a "Scandal," the present Government—

That refers to the Collier Government.

—tried out a new scheme of calling for tenders for the supply of coal to the railways, but did not receive a single tender.

Evidently it was the Collier Government who invited tenders, but the companies would not tender.

One mine outside the Amalgamated replied by stating, "That a similar contract to the one then expiring would be satisfactory." Another company—Griffin Company (and more of this anon)—stated that as the miners' wages were regulated on the selling price of coal, any attempt to interfere with the prices would bring about serious industrial trouble. At the same time the Collic Miners' Union threatened the Labour Government with dire pains and penalties unless they ceased the delay in dealing with the matter. And so these "scandalmongers" found themselves up against it, and Mr. Willcock was forced into the position of having to advise the Cabinet

to make a contract on the lines of the one they so severely condemned, except for a reservation of 20 per cent. that might be given to new mines opening up, but also made it clear that the new coal must be up to the standard requirements of the department. Where are the new coalfields and new mines? Well, assistance has been given to one at Collic on the same field and in the same coal basin—the Griffin mine, and reference to the Auditor General's report for the year ended 30th June, 1929, shows that under "Assistance to Industries" the only new loan for that year was to the Griffin Coal Mining Company, "Advances for construction of railway line and siding, £21,367 7s. 3d."

There is a footnote which says—

Griffin Coal Mining Company—This was the only new loan during the year. It represents expenditure on the construction of a branch railway from Collic to the company's coal mine. Under the agreement the company was required to provide approximately £15,000 in aid of the cost. This has been effected by the payment of £5,250 to the Treasury in cash, which is held in a trust account, and the assignment to the Treasurer of the uncalled capital (19s. 9d. per share) on 10,000 shares in the company, together with an agreement to call up the amount when the Treasurer so requires. The deposit is to be held until the revenue from the line (after allowing for working expenses, maintenance, repairs and depreciation of rolling stock and plant) equals the expenditure, with interest thereon, at the rate of 5 per cent. per annum. What a scandal to accept £5,250 as part payment of an undertaking to find £15,000 towards the cost and the balance, an assignment of uncalled capital (19s. 9d. per share) on 10,000 shares in the company.

These 10,000 one-pound shares are paid up to 3d. Coal has been taken by the Railways, only to discover that the quality is not up to the standard required by the department, and demanded as a condition of the agreement made between the Commissioner of Railways, the A.L.P., Collic Miners' Union, and the Engine-drivers, Firemen and Cleaners' Union. About a week since the Commissioner of Railways so advised the Griffin Coal Mining Company and terminated the arrangement to take coal from them, and transferred their allocation to another company. What, now, becomes of the £21,367 of taxpayers' money?

These, then, are the facts of the two much advertised scandals which have actually boomeranged on the throwers.

That was Mr. Scaddan's reply to some of the dodgers circulated with reference to his part in the coal business. Here is another quotation I wish to make from page 70 of the file—

In accordance with a request from the unions, the Commissioner convened a conference which commenced at his office on the 1st November, 1929. There were present the Com-

missioner of Railways (Mr. Evans) and the Secretary for Railways (Mr. Tomlinson) representing the Railway Department; Mr. Barker and Mr. Mooney, representing the A.L.P.; Mr. Membray, Mr. Rudinger, Mr. Grieve, representing the L.E.D.F. and C. Union; and Mr. Fuhrmann, Mr. Whiteaker and Mr. Gray, representing the Collie Miners' Union. The Chair was occupied by Mr. E. H. Barker.

This is Mr. Barker of the Trades Hall who decides the whole business.

The Commissioner stated that pending summer tests of Stockton and Griffin coals, he was not prepared to make any contracts with the proprietors of those mines at the present time. He asked Conference to agree to 12 months' extension of the present allocations. After discussion the union representatives agreed to go back to their principals, and to put to them as suggested a 10-months' extension of the present contract. The meeting adjourned until a later date.

Then there appears this on the file—

The conference assembled at 2.30 on the 14th November, when the miners' representatives stated that at an aggregate meeting held at Collie, the miners declined to agree to the Commissioner's proposal. The Commissioner reiterated the previous objections to any agreement regarding allocation at present, but stated that he was prepared to reduce the 10-months' extension of the present allocation to six months, and to finalise the matter so that new contracts could be entered into as from 1st June, 1930. To this the miners were not prepared to agree, and the conference adjourned sine die without coming to any decision.

That was on the 14th November, 1929. What happened? Eventually, as I shall show, they came to an agreement against the wish of the Commissioner, who is asked to make the railways pay. They forced him into a three years' contract before the previous Government went out of office, and before coal prices were settled in New South Wales. Thus the coal owners and the coal miners were put into the magnificent position that I have already indicated. I am sorry to have to take up so much time of the House, but I wish to have the whole of this matter placed on record in "Hansard." I have gone to a good deal of trouble, and I am trying to emulate Mr. Seddon whom I congratulate on the splendid speech he made the other evening, and the valuable information he gave to the House. Next we have this on the file, dated 20th November, 1929. It is a minute from the Commissioner of Railways to Mr. Willcock, then Minister for Railways—

The existing contracts for the supply of locomotive coal expired on the 30th inst. Ten-

ders returnable on the 26th September were invited from prospective suppliers for a term of three to five years from the 1st prox., but without eliciting any response.

Under the agreement we have with the Collie Miners' Union and the Locomotive Engine-drivers, Firemens, and Cleaners' Union we must, three months prior to the termination of any contract for the supply of coal to the Government railways, notify the parties to the agreement of such termination. If any of the parties, after receiving that notice desire a conference, I have to convene such and the conference when assembled shall endeavour to arrive at an agreement suitable to all parties in regard to the allocation of orders for the new contracts. In accordance with this I notified the different parties, and on receipt of the request I called a conference which was held in this office on the 1st and 14th inst. At the ensuing conference I notified that since the last contracts two new collieries (Stockton and Griffin) had been opened, and that the proprietors of the collieries named were desirous of consideration in regard to the new allocation of the railway order. I also pointed out that until we had had a proper summer test of the coal from these two mines, I was not in a position to determine their worth to the department. I mentioned that I had received a letter dated 30th September, 1929, from the Locomotive Union, requesting that before any new mines be accepted as suppliers of coal a rigorous summer test of their product be conducted.

The unions apparently were running the Railway Department, not the Commissioner.

In view of the foregoing I stated that it seemed to me that it would be best in the interests of all concerned that we carry on under the existing allocation for a few months at least, at the expiration of which time we would have a full knowledge of the coal from the new mines enabling us to give a proper distribution of the order. Further, I mentioned that I was not at all satisfied with the present allocation as it seemed to me that we had too great a proportion of Proprietary coal for which we were paying 18s. 4d., which was considerably in excess of its value when compared with the better coal from the Westralian and Co-operative. Not only so, but the current agreement provides that not more than 27 per cent. of soft coal shall be used, and obviously until it has been determined whether Stockton and Griffin are hard or soft coals we would be unable to fix up any distribution which would comply with the requirement of taking a maximum of 27 per cent. of the soft coal. Also, the Commissioner of Railways was the purchaser of Collie coal to the value of £350,000 per annum, or approximately 10 per cent. of the gross working expenses of the department. It will be seen what this Collie coal means to the economical working of the railways. The minute goes on—

The importance of such a contract could not be over-estimated, and full investigation of all

the conditions must have consideration before making a contract. I stressed the fact that although the question of price was not one for the conference to deal with, I did not propose in the new contracts to ask for any reduced price so far as the four mines—Westralia, Co-operative, Proprietary and Cardiff—mentioned in the agreement were concerned, nor will I do so unless in the terms of Section b, Clause 6, of the present contract, which reads:—

The above price is based on the mining rate and conditions now current at Collie, and any increase or decrease in the present cost of production due to changes made by Government or other competent authority of whatever kind which enters into the cost of production or preparation of the said coal shall be added to or deducted from the price herein fixed.

The Miners' Union was insistent that new contracts for a definite term of three or five years should be fixed up from the 1st prox, subject to a provision that in the case of the Stockton or Griffin coal any allocation would come up for review at the end of the summer. To this I mentioned the fact that experience showed that if we gave the Stockton and Griffin a percentage now and such coal proved unsuitable it would be a very difficult if not an impossible matter to obtain any reduction at a later date. The mines naturally would organise staff, etc., on the basis of the order given, and if at the end of six months we endeavoured because of the inferiority of the coal to obtain a cancellation of or reduction in the order we would at once be faced with the cry of dislocation of employment, etc. It seemed to me that by extending the present arrangement say for six months no harm would be done to anybody, while at the end of that time we would all certainly be in a position to make a definite arrangement for a term of years. Considering the magnitude of the question at issue, it is unreasonable that the Miners' Union should demand that this matter should be settled immediately when the Commissioner declares that within six months he will be in a position to determine the true value of the two coals and to indicate what would be in the best interests of the department and the State as a whole.

Notwithstanding that, later on we find that the unions and the ex-Minister, Mr. Willcock, and Mr. Kenneally arrived at the conclusion that the contracts had to be signed, and, as I have already said, for a period of three years. There was an argument about the calorific value and the steaming value. The Railway Department contended that they got better results from some coals although the calorific value was no greater than that of other coal, and the owners of the particular mine said that a fair test had not been made. That is another reason why there should be a commission appointed in

fairness to the owners of the Griffin mine. It is not right that the department should pay 20 per cent. more for that coal than for other coal. It is an appalling state of affairs that the Government of the day should be run in this way. No wonder we are in the position in which we find ourselves as the result of the losses on the railways. Turning again to page 72 (b) we find in the notes of a conference held on the 22nd November, 1929, to arrange for native coal test, the following report:—

The tests should be such as would demonstrate the true value on a consumption per ton mile basis of the Stockton and Griffin coals, as compared with coals from the other mines under similar working conditions, and should also embrace exposure tests. He desired to be in a position to negotiate the new contracts, with a full knowledge based on reliable data of the relative values from a practical standpoint of the respective coals.

Here is another paragraph that bears on the class of coal as supplied the railways—

We are to-day paying 1s. 1d. per ton for Proprietary coal more than it is worth when compared with Westralian.

That is a nice state of affairs for the unions to force on to this country. The department was paying 1s. 1d. per ton more for Proprietary coal than they were paying for Westralian coal. On the total tonnage consumed this would run into between £14,000 and £15,000. Of course it did not all come from the one mine. But this is the point: on account of the unions, and political unions at that, the country is paying this extra price, and the Commissioner of Railways has no say. It goes on—

For many years we paid a most unreasonable price for Premier coal solely on account of its high calorific value.

If that contention is right, we have been paying thousands of pounds a year more than we should have paid for Collie coal. Then follows a table on page 75 giving the calorific values and stating—

Based on the consumption of coal for 1927-28 from the three mines last mentioned (Co-operative, Proprietary and Cardiff), it is obvious that compared with the price paid for the Westralian coal, the department was involved in a heavy loss As the contracts are for three years, the loss (£12,900) requires to be multiplied by three—approximately £39,000 over the whole period.

Although the Commissioner has put up that minute, we have responsible Ministers allowing this sort of thing to continue. I shall

show presently what the difference would be if we used Newcastle coal. Another paragraph reads—

The Miners' Union, however, was not agreeable to any postponement, and desired a new agreement entered into on the expiry of the current agreement . . . Mr. Barker said the union's suggestion was that the 20 per cent. reserve should be reserved for those two mines (Griffin and Stockton). He also wished to put forward the aspect that it should not be open to anyone who started a mine to apply for and claim a share of Government contracts. That would simply lead to the position that there would be more than enough mines started, and mines already established would have to reduce their production, which meant reducing their shifts and causing lost time to the men. The mines at present operating could supply all the coal required for a very long time, and there was no need to encourage further mines to be started.

Hon. Sir William Lathlain: A close corporation!

Hon. G. W. MILES: Yes, the mine owners and the Miners' Union bleeding the rest of the country. How can we bring down primary production costs when the price of coal, the key industry, is kept up in this way? Industrial life in the towns is dependent upon coal. The whole of the bunkering trade has been lost to the State, because of the price charged for Collie coal and because it is realised that if the price were reduced for bunkering, it would have to be reduced to the taxpayers of the State. According to page 79, the manager of the Amalgamated Collieries wrote to the Commissioner of Railways as follows:—

We have to advise you that we have been notified by the Collie Miners' Union that, owing to the termination of the coal contract on Saturday next and the failure of the negotiations so far regarding the allocation of the new contract, there will probably be an aggregate meeting on Monday next to consider the position. We feel it is our duty to pass this information on to you immediately, so that you will realise our inability to supply orders on Monday next. We fear that a serious position may easily arise in the Collie coal industry, but, as you are aware, we are quite helpless, as we have no voice in the fixing of the allocation agreement.

On page 80 appears the reply of the Secretary of Railways—

By direction I have to acknowledge receipt of your letter of even date with regard to the termination of coal contracts. The Commissioner trusts that the fears expressed in your concluding paragraph will prove to have been groundless.

Thus the Commissioner has no voice at all in the matter; the union dictates the whole of the business. On folios 270-3 is additional information by the Commissioner that ought to be investigated. Evidently the final allocation was agreed to by Mr. Kennelly and the Minister. I think I have shown clearly that the existing system should be altered, that the Commissioner and not the Trades Hall should run the Railway Department. The Trades Hall is doing it today and has been doing it for the last six or seven years, with the result that the Railway Department, to the extent of 10 per cent. of the working expenses, are being dictated to by the Trades Hall. Let me quote page 281 (h) to show what has happened in New South Wales—

27th June, 1930. Contracts for the supply of coal from the northern fields were to-day approved by the Railway Commissioners. Competition was keen, and the prices tendered showed a reduction of 14 per cent. to 18 per cent., or about 4s. a ton, compared with previous contracts. The lower prices will mean a saving of about £80,000 a year to the railways.

Our contract for Collie coal was finalised before that arrangement was made. The unions took good care of that and forced the Government into committing themselves to a three years' contract. The owners and miners should come together, as they have done in New South Wales, and reduce the price of coal. I am informed that coal can be supplied at the pit's mouth at Collie as cheaply as in any other part of the world, and that it could be sold for 4s. or 5s. a ton less and still give the owners handsome profits and the miners good wages, more than the average being received by their fellow workers. We hear much about the unemployed and the conditions under which they are living. Some of the settlers in the far eastern parts of the State, I am told, are living in shacks roofed with petrol tins, and sleeping on bags and bushes. That is what the pioneers are doing to maintain the existing artificial conditions in Collie and Perth, so that directors may draw their huge fees and the miners may enjoy the high wages they receive. The New South Wales reference continues—

Altogether ten tenders were accepted, the greatest quantity of coal in one contract being 180,000 tons, and the smallest quantity 5,000 tons. The highest price accepted for the best coal was tendered by the Standard Merthyr Colliery, at 17s. 1d. a ton.

That compares with our highest price of 19s.

The reduced prices for coal are directly due to the agreement reached between the coal owners and the miners to make a contribution towards the cost to the consumer. The Ministry has made a contribution by reducing railway freights and crane charges.

Why cannot something of the kind be done here? The difference in prices is worth noting. Newcastle coal in store here cost 4s. 11d. per ton previous to the reduction I have just mentioned. The highest price paid for Collie coal is 19s. and the average haulage to Perth costs 11s. 9d., making a total of 30s. 9d. If the difference between the two coals is as I have indicated, 155 tons of Collie coal to 100 tons of Newcastle coal—

Hon. J. Ewing: You will find that is not correct.

Hon. G. W. MILES: Those figures have been given by the railway officials.

Hon. J. Ewing: They are not right.

Hon. G. W. MILES: If they are wrong, it is another reason in support of an investigation by a Royal Commission. If they are right, it means that Newcastle coal landed here would now cost 41s. 8d. per ton, whereas its equivalent in Collie coal costs the Government 45s. 9d. That is a difference of about 4s. per ton, and taking the tonnage used by the Railway Department and the Electricity Department, it means a total of £61,295 a year. Ships used to bunker Collie coal, but they are not doing so now. They are giving preference to Newcastle coal because of the high price charged for Collie coal. The Collie coal owners could probably dispose of thousands of tons of coal more than they are doing, but they must bring their prices down. They have to meet the financial situation the same as other members of the community. They will have to be satisfied with a fair price for coal, and the men will have to be satisfied to give a fair day's work for a fair day's pay.

Hon. J. Ewing: They have a three years contract.

Hon. G. W. MILES: Yes, but surely in a time of financial stringency, owners and miners could come together and meet the Government. It is this sort of thing that gives rise to socialistic undertakings. There is organised profiteering by coal owners and coal miners at the expense of the public,

and if they will not bring down their prices, there are other coal mines that could be opened by the Government, and the State could compete with the people who are extracting so much money from the community. I am opposed to the State's doing that, but presently some Government will come into power and will do it or will use Newcastle coal in preference. The country cannot afford to pay this extra price to keep a thriving centre like Collie going. The people there must play their part in the economic reconstruction of the country. The file contains evidence taken at the inquiry regarding the steaming value of the various Collie coals. A test was made by the Railway Department and some of the mine owners were not satisfied. The Government then appointed the State Mining Engineer (Mr. Howe) to investigate the tests. Some of the witnesses stated that Stockton coal was of large size and not weathered and looked as if it had been specially selected for the test. Other evidence by some of the engine-drivers was to the effect that Griffin coal was far better than the other coals. Those points should be investigated, and the only way in which they can be satisfactorily settled is by the appointment of a Royal Commission. Following the report by Mr. Howe, the Griffin people communicated with the Minister, and Mr. Howe, being asked for some further information, wrote—

In response to your request, I submit the following comments on Mr. John Ewing's letter dated 14th instant, addressed to the Hon. Premier:—(3) The engine-driver's report has no value whatever relative to the economic value of Collie coal. (6) The engine-driver's report is valueless. (a) My report shows that results were comparative. Once again I am compelled to state that the engine-driver's report has no value. (b) The economic attitude is to choose the lesser of two evils. To use inferior coal will certainly add to the State's financial burden. (c) My report indicates very clearly the error of such an agreement. (d) It will cost less to sacrifice the money put into the siding than to make a second error, which must become a cumulative financial burden. (e) Did my predecessor recommend the proposition? I am not clear on this point from memory, but I have a recollection that he pointed out that an additional coal mine was not needed. If he did not, I feel sure he meant to. It is a serious matter that the shareholders' money should be wasted, and I fully appreciate the fact. It is a thousand pities they were not more fully advised about the whole of the circumstances before the undertaking was launched.

I quote those passages, in fairness because they afford another argument in support of the Griffin people. Those owners say they are not satisfied with the test. The Railway Department claim they should not be compelled to take that coal. I have here the figures of comparative summer tests based on fire-box results.

	Calorific Value, paid under Contract.	Fire-box Value.	Yearly tonnage.	Loss per ton.	Amount
	per ton. s. d.	per ton. s. d.		s. d.	£
Co-operative	19 0	19 0	57,000
Proprietary	18 2	17 11	90,000	0 8	1,125
Westralia...	19 0	17 10	57,000	1 2	3,383
Stockton ...	17 10	17 1	33,000	0 9	1,237
Cardiff ...	17 6	15 1	36,000	2 5	4,350
					£10,045

That table shows the differences occasioned by the use of the other coal; that is, if the firebox test is to be adopted. I think I have said all that is necessary to show that investigation should take place, especially as insinuations have for a number of years been broadcast throughout the country. Insinuations have been made against Mr. Scaddan when he was Minister for Railways, and insinuations have been made against other Ministers controlling that department and against members of the railway service. Therefore there should be a thorough inquiry into the question. The power of the union needs investigation also. The proposed Royal Commission should state whether it is in accordance with responsible government to have the Trades Hall dominating a Commissioner of Railways whom Parliament intends to be free from political control. The inquiry should take place in fairness to other coal owners, who claim that their coal has not had a fair test. They should be permitted to put up their case. During this economic crisis the Collie coal owners and coal miners should get together. Even if the State is bound by a three-years contract, the owners and miners should meet the Government by a reduction in the price of coal. Every section of the community will have to bear its share of the burden, and I feel sure that the Collie people will be prepared to do something that will result in a more

equitable basis of dealing with the Railway Department than is now the case.

Hon. E. H. Harris: You are a wonderful optimist.

Hon. G. W. MILES: I hope I am not too optimistic when I ask the Government to appoint a Royal Commission. Now that the matter has been brought under notice, the public and the Press should not let it drop. The whole business should be sifted from top to bottom. No one is more desirous of seeing peace in industry than I am and of seeing that every man gets a fair day's pay for a fair day's work; but I contend that on these figures the appointment of a Royal Commission is justified. I hope one of the first actions of the present Government will be to appoint a Royal Commission to investigate the whole subject. Railway finance has been dealt with fully by previous speakers, so I shall not touch on it except to quote a few comparative figures—

1920-1925—Earnings (increase), £989,822; wages (increase), £356,986.

1925-1929—Earnings (increase), £420,547; wages (increase), £623,602.

How can the Commissioner of Railways show good results in the face of the extra price he is paying for coal, and in the face of the extra wages he is paying by reason of parties giving such concessions as 44 hours, instead of 48, and long service leave? In my opinion the Constitution should be altered so as to give public servants a representative in each House of Parliament. Let the public servants elect those two representatives, and let us cut out this dangling for the public service vote. At present it is like an office boy managing a bank. One party comes along to the public servants offering concessions, and then another party comes along to bid for the public service vote. In these days of crises we are all forced to come together and work for the good of the country, entirely cutting out party issues. If that is one of the results of our present difficulties, the economic trouble will prove to have been a blessing in disguise. I have an extract I wish to quote as to the economic question. Arguments have been advanced about the impossibility of taxing a community into prosperity. Here is an extract from the "West Australian" of the 10th September—

Addressing the meeting of the British Association for the Advancement of Science at

Bristol to-day, Professor Henry Clay, economic adviser to the Bank of England, said that the total tax burden, allowing for the change in the value of money, was at present as high as in the year of heaviest taxation during the war. High taxation affected unemployment mainly by reducing the amount that could be applied from profits to the expansion of profitable businesses. The flow of new capital necessary for industrial expansion was being tapped at the source by income tax, surtax, and estate duties. Whereas before the war only 1s. 2d., or at the most 1s. 8d., in the pound was directed to the Exchequer, to-day from 5s. to 9s. in the pound was thus diverted.

That quotation affords another reason why the Prime Minister should disregard the red element in his party who want him to ask the Old Country for concessions, after Britain has done so much for Australia and the Empire as a whole. I agree with Mr. Seddon that the British taxpayer is paying far more than the Australian taxpayer, and that if our taxation were spread in the same way as the British, we would be able to straighten our finances. There should not be only 10 per cent. of the community paying income tax, as is the case at present. Here is another extract I wish to quote—

At Colombo Mr. Scullin declared most definitely that Australia must and would pay every penny that she owed, and appealed to all sections of the community to support Mr. Fenton and the decisions of the Melbourne conference.

I hope all sections of the community will take Mr. Scullin's advice, and support Mr. Fenton and the various State Governments who, in conjunction with the Federal Government, are working to straighten out the financial tangle. It has been urged that interest must be taxed before wages are reduced and the cost of living comes down. But other sections of the community have felt this crisis long before wages were touched. On the 10th instant the "West Australian" published a table of share values of Australian companies, banks, pastoral companies, breweries and miscellaneous, showing that values had fallen from £132,000,000 to £75,000,000, a decline in value of £57,000,000. And that table includes only 30 or 40 companies. In addition there are private persons, pastoralists, farmers and so on, who have seen the whole of their assets go down. Those assets have had to be written down; the owners have had no say in the matter. The assets have been

written down by a couple of hundred millions sterling already. That is what people with a stake in the country have done already. Incomes have been reduced. I myself now have not 5s. to spend where I had £1 last year. My income is cut down more than 75 per cent. Numbers of people in Western Australia have no income at all now, but are living on their capital and on their credit. That is how the country is being carried on at present. Yet the other side refuse to get behind Mr. Scullin and Mr. Fenton and the Premier of Western Australia, and to realise that we must all bear our share of the burden in this crisis. I do not agree with the statement Mr. Lovekin made yesterday regarding reduction of members' salaries. The Government of this country should be the first to set an example in that respect. Private firms have reduced salaries, right from directors down to office boys. They have had no option but to do that as well as ration the work. If the Federal Government had done their part by means of a 10 per cent. reduction, there would have been a saving of £1,000,000, or by rationing a saving of £2,250,000 could have been effected. Two months have been wasted, and only now is it proposed to hold another Federal session in November. In Western Australia the Premier should have called Parliament together as soon as he realised the position, and we should have been asked to deal with a Bill to provide for the reduction of salaries of members of Parliament. Then, in addition, we should have dealt with the salaries of civil servants as well.

Hon. A. Lovekin: You suggest we should have taken the lead here, and left more for the Federal authorities to grab!

Hon. G. W. MILES: We will have to do that, and the Federal people will be forced to follow.

Hon. A. Lovekin: They should set the lead.

Hon. G. W. MILES: That is so, but that is no reason why, failing the Federal Government doing so, the State Governments should not take the necessary action. In Western Australia action has been taken already by the rest of the community. If a reduction were made in this State to the extent of 10 per cent., as indicated by Mr. Seddon, we would effect a saving of £400,000.

In addition to that we should have an unemployment tax.

Hon. A. Lovekin: And the first thing the Federal people would do would be to put on a fourth super tax.

Hon. G. W. MILES: There will be no fourth super tax. If you want to satisfy the red element and the communists, all that is necessary is to quote particulars regarding what is already paid in the form of a property tax—I do not know exactly the difference in the rates of the tax on income derived from property as compared with those applicable to income from personal exertion—to let them appreciate what is already paid. Then, if the incidence of income taxation were altered, as suggested by Mr. Seddon, and everyone paid his proper share, and in addition we had the stamp tax, which Mr. Lovekin has suggested in the course of his pamphlet, we would have everyone contributing according to his means and we would get out of the mire much sooner than if we continued as we have acted in the past.

Hon. A. Lovekin: You know that 6 per cent. interest has been reduced by the effects of taxation to 3¼ per cent.

Hon. G. W. MILES: I am not surprised to hear that. If we altered the incidence of taxation and made more shoulders bear the burden, it would assist greatly. It will not be necessary, nor do I advocate, that those receiving the higher incomes should pay a still higher tax. It is because of the high taxation in that category that we have so much unemployment with us to-day. The effect of that impost has been to take large sums of money away from industry. I do not agree with the action of the Federal Government in increasing the tariff, although I admit that the sales tax has spread the burden considerably. That must be dealt with and the tariff altered, in addition to which the bonuses that are paid will have to be cut out. Only by that means shall we be able to sell our commodities in the markets of the world. Some people say that unemployment in Australia is here to stay, but that is not so. Unemployment can be eradicated, and if we but give the primary producers a chance, they will absorb the surplus population. I do not say that the present Prime Minister, Mr. Scullin, is to blame for the position alone, because I consider the Bruce-Page Government were more to blame. The present Federal Government took office dur-

ing times of difficulty and stress, and they have made an effort to stop importations. Personally I do not think the steps taken by the Scullin Government were necessary, because the exchange difficulty would have prevented importations. There would not have been sufficient money in any case to have allowed importations to proceed as in the past. Events could have taken a natural course from that standpoint without the necessity for slamming the door in the face of some of our best customers such as Japan, Germany, France and Italy. On Tuesday last we had buyers from all over the world at our wool sales. On the other hand, what are we doing? Our attitude is that we will not take a halfpenny worth of their goods. We have had the figures given to us and they demonstrated that we bought goods valued at between £14,000,000 and £15,000,000 from them, whereas they bought our goods to a value of £50,000,000.

Hon. A. Lovekin: Mr. Bruce said that the numbers are in the East, and that is why it is so.

Hon. G. W. MILES: But the people are feeling the economic position there worse than we are feeling it in Western Australia. They must be affected there because in the East there is more unemployment apparent than in Western Australia, and a party will in due course take office pledged to reduce the tariff along scientific lines. The economic factor alone will force that position and cause the bonuses to cease. Take the sugar bonus. Australia has to pay £6,000,000 annually, and we have to produce 518,000 bales of wool, or 30,000,000 bushels of wheat in order to pay for the sugar bonus. Nor is that the worst of it. I have spoken to members of the present Government and have suggested that a protest should be made against the re-imposition of the embargo, and that the case for Western Australia should be put up against the sugar bonus.

Hon. A. Lovekin: The people in the East will not relax on our account.

Hon. G. W. MILES: We should at any rate advance our case against the embargo on sugar. A lady has gone across to represent the consumers! The Government should formulate a case on behalf of the people to show what the sugar embargo means to Western Australia. In addition to paying this further form of taxation, we are forced by the economic position in the northern parts

of Western Australia to cut the throats of our surplus sheep because there is no available market for them. If we had freedom of trade with the Far East, there would be no limit to the market available for our sheep, our wheat, our jams, our fruits, and other products of this State. The whole thing is a farce.

Hon. A. Lovekin: Go to Canberra, and you will see that we do not count there at all.

Hon. G. W. MILES: We will count there eventually. Things are coming to such a pass that the people of Australia will have to come together as they did during the war. That will be necessary so that Australia may adequately face the crisis. It will be one of the best things that ever happened to Australia when we are placed on a sounder basis. For too long have we lived in a fool's paradise, living on borrowed money and passing Bills to authorise undue loan expenditure. Members of this House are to blame; every member of Parliament is to blame. We have passed legislation authorising the construction of hundreds of miles of railways and for the raising of loans running into millions of pounds, and the interest bill has had to be met.

Hon. A. Lovekin: Anyway, Mr. Scullin told us definitely that he would not reduce salaries in the Commonwealth service.

Hon. G. W. MILES: It does not matter what Mr. Scullin told the delegation. Since that time there has been a conference with Sir Otto Niemeyer and the Federal Government will be forced to do it.

Hon. A. Lovekin: Read what Mr. Beasley said later than that.

Hon. G. W. MILES: Mr. Beasley is only one of them: read what Mr. Scullin and Mr. Fenton said.

Hon. A. Lovekin: Mr. Beasley represents the red side of the movement.

Hon. G. W. MILES: And the red side will be pushed out. There are more right-thinking people in the Labour movement than are numbered in the ranks of the red element. If it comes to a clash, the red element will be shifted to one side, as was done during the war period. I hope the Leader of the House will note my suggestion and take steps so that Western Australia shall formulate a case to be presented in opposition to the sugar embargo being again imposed.

The Minister for Country Water Supplies: That was arranged some time ago.

Hon. G. W. MILES: I am pleased to hear that announcement. The rationing of work, if it can be arranged, is preferable to retrenchment, but in some instances retrenchment must take place. For instance, the Public Works Department is staffed to deal with the spending of £4,000,000 of loan funds annually on public works. We have not anything like that amount to spend now, and it is a blessing that we have not. I hope that in future we will pledge ourselves to operate within the limits of our revenue, for we cannot borrow in the future as we did in the past, which is a blessing. We should arrange our taxation. We should have an unemployment tax on a graduated scale: we should impose a betting tax, and perhaps double the totalisator tax, if necessary.

Hon. A. Lovekin: What about premium bonds?

Hon. G. W. MILES: We cannot alter the gambling spirit of the people, and we should recognise that fact.

Hon. A. Lovekin: You would not support my proposal for premium bonds.

Hon. G. W. MILES: Yes, I would. I hope the Government will consider these questions seriously.

Hon. G. Fraser: The premium bond is the Scotchman's lottery!

Hon. G. W. MILES: I did not quite catch that remark. Recently I asked a question regarding the number of motor cars in use by Government departments and owned by the State. I was told by the Leader of the House in his answer that it was necessary to buy two new American cars. I regard that as gross extravagance on the part of some official. Whoever he was, the official responsible should be dismissed from the service without any notice whatever. There should be sufficient second-hand cars available in the possession of the Government already, without the necessity for purchasing two new foreign cars. Particularly is that so in these days, when from day to day we have to hunt round for sufficient funds to enable us to pay wages. I hope the Minister will see to it that no more cars are bought until we can afford to do so, and that that will not be for some years to come. I hope the Government will get back to the horse wherever possible. That is another factor that will help the State considerably. It will mean keeping our money in our own country: it will provide a market for labour,

and assist to provide work for our saddlers, blacksmiths, farriers, wagon builders, as well as others who will be affected. If we could achieve that, it would mean a tremendous thing not only to Western Australia but to the Commonwealth as well. It would obviate the spending of money that now goes to America. I suggest that every member should read the pamphlet written by Mr. Wright. It is well worth studying. I am in favour of a reduction in the number of members of both Houses of Parliament. I do not know if that could be effected immediately, but if, in addition to the reduction in salaries, the number of members in this House were reduced from 30 to 20, and in the Legislative Assembly from 50 to 30 members, another saving of public funds could be shown.

Hon. A. Lovekin: Let us have 30 instead of 80.

Hon. G. W. MILES: That would be better still. If we could get down to a dozen practical business men, it would be even better. In reply to a number of circular letters I have received from union secretaries, I want to make it perfectly clear that I am in favour of the restoration of the 48-hour week not only for unionists but for other workers as well. The exploded theory preached by industrialists, that shorter hours mean more work, has gone by the board. I think even Mr. Kitson recognises that fact. I do not think he would suggest now that it is possible to produce more in 44 hours than in 48 hours.

Hon. W. H. Kitson: It all depends on how you go about it.

Hon. G. W. MILES: I should think so. That reform should apply not only to unionists but to all employees of Government departments, banks, insurance companies, and so on. That will have to be followed by a reduction in charges and rents will naturally decrease. The ordinary law of supply and demand will have that effect. I have already indicated how industry is affected by the writing down of assets, and recently there appeared in the "West Australian" an article headed "Share Values" showing that an average of £2,000,000 has been written off the shares of 30 representative Australian firms during the past twelve months. That fact can be advanced in reply to arguments that will be put up against wages being reduced. Those figures show that the other section of the community in Australia has already been affected by the decline in

shares values to the extent of £57,300,485 in respect of the companies I refer to. While retrenchment and the reduction of salaries are being effected, I hope the interests of the civil servants will be protected so that there will be no interference with their pension rights. We realise that this will be a temporary measure operating for a few years until we get out of our trouble. The sooner we tackle it, the sooner will the position be rectified, but in the meantime big sacrifices will have to be made. The Government should bear that in mind and the sooner retrenchment and reductions are decided upon, and the Budget balanced, the better and cheaper it will be for all concerned. Eventually there will be work for all, if that is done. Everybody will be at work and the standard of living will not be altered. People will be able to buy as much with 10s. then as they can with 16s. to-day. There will be peace in industry, and payment by results will assist in that direction. Then, again, I hope the Government will speedily amend the Worker's Compensation Act. That is legislation long overdue. Parliament should have an opportunity to review the measure and place that legislation on a proper basis. May I in reply to Mr. Lovekin, who talked about taxing people out of existence, refer to a cartoon that appeared in the Sydney "Bulletin," in which a taxpayer, with only a loin cloth on, was depicted strutting along the street, with the State Treasurers, looking like pickpockets, glancing at him. Under the cartoon there appeared the following words:—"How can a pickpocket pick your pockets when you have nothing in the pockets to pick." That is the position of a lot of people in this country. Betting and totalisator taxes should be increased. I have already referred to the bonuses, and to the necessity for a reduction in the tariff. For years the hospitals have been crying out for more money, and a hospital tax is proposed. I hope it will be on equitable lines. Recently I read a statement by the secretary of the Perth Hospital in which he said that economies were being brought in calculated to save £1,000, economies in light, gas, water, bandages and sundry other things.

Hon. A. Lovekin: And the sales tax will take it all.

Hon. G. W. MILES: But what I want to know is why have not those economies

been effected all along? Is it because that department is run on the same lines as other Government departments as revealed in the report of the Railway Commissioner, which shows that the unions run the railways? There has been no economy in any department in the past. Men, because they belong to a political party and stand on a soap box and are eventually elected, find themselves in a position to run the country although without any experience, and this is the result. I have in my pocket—I do not believe I would be allowed to quote it—an article showing the position of Australia. If I could, I should like to have it reprinted in "Hansard." Later I will show it to you, Sir. Now I do not want to take up any more of the time of the House.

Hon. V. Hamersley: Oh, go on.

Hon. W. H. Kitson: You are doing it well.

Hon. G. W. MILES: By the way, there is one other point. Here is a statement made by the Premier—

The Government were not approaching the Arbitration Court to reduce wages. These were fixed by what was earned, and we could only meet our position by earning more or borrowing more from outside.

I absolutely disagree with that at this stage. There has been absolutely too much borrowing, and it should cease. What we want is a closer settlement scheme for developing the country already opened up. The Premier went on to say—

The sooner the State is further developed by borrowing overseas the better.

I absolutely disagree with that view. We have reached the stage where we have to put our house in order. And the house can be put in order by reducing salaries and rationing work, by suspending the operations of the Arbitration Court, if necessary, by amending the Workers' Compensation Act, and by reforming these coal miners and coal owners, who are in an unholy alliance—capitalists and labourers getting together to create the existing position. They are the people who have created this economic position, causing the railways to pay £60,000 more for their coal than should be paid, in order that some of the Collie coal miners might draw from £2 to £3 per day, while the rest of the community is being taxed. Collie coal represents one of the key in-

dustries, responsible more than anything else for the deficiency we are hearing so much about

Hon. E. H. Gray: There is a depression on the Collie coalfields, too.

Hon. G. W. MILES: I do not know whether I should be in order in repeating some of the figures I have already quoted. However, the hon. member will see them in "Hansard." Some of the coal miners of Collie are working three or four days a week and earning £2 or £3 per day. Why does not the hon. member go down to Collie and endeavour to get the miners to contribute to his unemployment fund in Fremantle?

Hon. W. H. Kitson: Do those figures apply to all the miners at Collie?

Hon. G. W. MILES: They are keeping up the price of coal and making the taxpayer, the worker, pay so much more for all his commodities. Some people speak of the Government as if Ministers were supreme beings. The workers are really the Government. And here are the Collie miners inflating the cost of living while the rest of the workers are being taxed out of existence in order that big dividends and high wages may obtain in Collie.

Hon. W. H. Kitson: Surely your figures are not correct.

Hon. G. W. MILES: They are correct. In any event, I am asking for the appointment of a Royal Commission to inquire into their correctness. It is a positive scandal that the Trades Hall should be allowed to dominate the Railway Department as they have done, when we have a Commissioner of Railways supposed to be free from political control.

Hon. G. Fraser: The miners are on piece-work rates, you know.

Hon. A. Lovekin: But the rates are pretty high.

Hon. G. W. MILES: There is one other point I should like to refer to. Mr. McCallum is reported to have said that the same money was in Australia that had always been there, that the real trouble was that the control of Australia's credit was in the hands of private individuals who could do what they liked. Twelve months ago, he said, the banks were pressing credit on the people, whereas now none was allowed. He added that it was not an Australian problem but a nation-wide problem.

Hon. E. H. Gray: Is that wrong?

Hon. G. W. MILES: Of course it is wrong. The banks are the salvation of Australia to-day by having created reserves in the past. Had the hon. member listened to Mr. Lovekin's speech last night, and understood it, he would not have interjected in that way. Mr. McCallum went on to say he was glad to know that the Prime Minister intended to bring this matter before the Imperial Conference. Mr. Lovekin pointed out that when money was scarce commodities were cheap, and when money was plentiful commodities brought fair prices. In the meantime we have to get back, and the only way to get back is to have all sections of the community working together, as the Prime Minister has requested from Colombo, when he pleaded for support of Mr. Fenton, and as the Prime Minister has asked for support for the Premiers' Conference.

Hon. E. H. Gray: But not for support for attacks on the standard of living.

Hon. G. W. MILES: As I have pointed out, some £200,000,000 was written off the value of securities in Australia before wages were reduced by one penny. Owners of big concerns have had to go right out of business. That ought to be sufficient. I want to appeal to the good sense of all sections of the community and urge them to follow the Prime Minister and the State Premiers, who are trying to pull together, instead of indulging in the red-rag element which we have represented in another place and in the Eastern States. We ought to be ashamed to think that men could go Home and appeal to the Mother Country to assist us out of this temporary crisis we are passing through. If the position is tackled, and tackled at once, we shall come out all right, but we have to be prepared to make sacrifices from the top to the bottom. And if we are to have efficiency in industry, we must accept payment by results.

Personal Explanation.

Hon. A. LOVEKIN: The hon. member rather misrepresented me in suggesting that I was opposed to the reduction by members of Parliament of their salaries. I never said anything of the sort. I am quite in favour of a reduction of the salaries of members of Parliament as a part of a general scheme beginning at the highest and ending at the lowest, each contributing according

to his means. But what I have objected to is the singling out of either members of Parliament or public servants, and leaving others in abeyance.

On motion by Hon. J. T. Franklin, debate adjourned.

House adjourned at 6.10 p.m.

Legislative Assembly.

Thursday, 11th September, 1930.

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

QUESTION—GROUP HOLDINGS UNOCCUPIED.

Mr. McCALLUM asked the Premier: How many group holdings are at present unoccupied?

The PREMIER replied: The reply is in the nature of a return which will be laid upon the Table of the House.

QUESTION—WATER PIPES, TENDERS.

Mr. RICHARDSON asked the Minister for Works: 1, Have tenders been called recently for 4-inch cast-iron pipes? 2, What was the quantity? 3, Has any tender been accepted? 4, If so, who was the successful tenderer and what was the price. 5, What amount was paid per ton for the last 4-inch